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**A REVIEW OF PUBLIC EVENTS  
AT HOME AND ABROAD**

**FOR THE YEAR**

**1938**

**EDITED BY  
M. EPSTEIN, M.A., PH.D.**

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THE Editor of THE ANNUAL REGISTER once again expresses his thanks to *The Times* for permission to make use of matter published in its columns.

# MR. NEVILLE CHAMBERLAIN'S FIRST ADMINISTRATION.

(TOOK OFFICE MAY 28, 1937.)

## CABINET MINISTERS.

<i>Prime Minister and First Lord of the Treasury</i> . . . . .	} Mr. Neville Chamberlain.
<i>Lord President of the Council</i> . . . . .	{ Viscount Halifax ( <i>till Feb. 25</i> ). Viscount Hailsham ( <i>from March 9 to Oct. 31</i> ). Viscount Runciman ( <i>from Oct. 31</i> ).
<i>Lord Chancellor</i> . . . . .	{ Viscount Hailsham ( <i>till March 9</i> ). Lord Maugham ( <i>from March 9</i> ).
<i>Lord Privy Seal</i> . . . . .	{ Earl De La Warr ( <i>till Oct. 27</i> ). Sir John Anderson ( <i>from Oct. 31</i> ).
<i>Chancellor of the Exchequer</i> . . . . .	Sir John Simon.
<i>Secretaries of State :—</i>	
<i>Home</i> . . . . .	Sir Samuel Hoare.
<i>Foreign</i> . . . . .	{ Mr. Anthony Eden ( <i>till Feb. 20</i> ). Viscount Halifax ( <i>from Feb 25</i> ).
<i>Colonies</i> . . . . .	{ Mr. W. G. A. Ormsby-Gore ( <i>till May 16</i> ). Mr. Malcolm MacDonald ( <i>from May 16</i> ).
<i>Dominions</i> . . . . .	{ Mr. Malcolm MacDonald ( <i>till May 16 and from Oct. 31</i> ). Lord Stanley ( <i>from May 16 to Oct. 31</i> ).
<i>War</i> . . . . .	Mr. Leslie Hore-Belisha.
<i>India and Burma</i> . . . . .	Marquess of Zetland.
<i>Air</i> . . . . .	{ Viscount Swinton ( <i>till May 16</i> ). Sir Kingsley Wood ( <i>from May 16</i> ).
<i>Scotland</i> . . . . .	{ Mr. Walter Elliot ( <i>till May 16</i> ). Lt.-Col. D. J. Colville ( <i>from May 16</i> ).
<i>Presidents :—</i>	
<i>Board of Trade</i> . . . . .	Mr. Oliver Stanley.
<i>Board of Education</i> . . . . .	{ Earl Stanhope ( <i>till Oct. 27</i> ). Earl De La Warr ( <i>from Oct. 27</i> ).
<i>First Lord of the Admiralty</i> . . . . .	{ Mr. A. Duff Cooper ( <i>till Oct. 1</i> ). Earl Stanhope ( <i>from Oct. 27</i> ).
<i>Minister of Health</i> . . . . .	{ Sir Kingsley Wood ( <i>till May 16</i> ). Mr. Walter Elliot ( <i>from May 16</i> ).
<i>Minister of Agriculture and Fisheries</i>	Mr. W. S. Morrison.
<i>Minister of Labour</i> . . . . .	Mr. Ernest Brown.
<i>Minister for the Co-ordination of Defence</i> . . . . .	} Sir Thomas Inskip.
<i>Minister of Transport</i> . . . . .	Dr. Leslie Burgin.
<i>Chancellor of the Duchy of Lancaster</i> . . . . .	} Earl Winterton.

## MINISTERS NOT IN THE CABINET.

<i>First Commissioner of Works</i> . . . . .	Sir Philip Sassoon.
<i>Postmaster-General</i> . . . . .	Major G. C. Tryon.
<i>Minister of Pensions</i> . . . . .	Mr. H. Ramsbotham.
<i>Attorney-General</i> . . . . .	Sir D. B. Somervell.
<i>Solicitor-General</i> . . . . .	Sir Terence O'Connor.
<i>Paymaster-General</i> . . . . .	Lord Hutchison.
<i>Civil Lord of the Admiralty</i> . . . . .	Lt.-Col. J. J. Llewellyn.

## xii MR. CHAMBERLAIN'S FIRST ADMINISTRATION.

<i>Financial Secretary to the Treasury</i>	{ Lt.-Col. D. J. Colville ( <i>till May 16</i> ). Captain D. Euan Wallace ( <i>from May 16</i> ).
<i>Financial Secretary to the War Office</i>	Sir Victor Warrender.
<i>Secretary for Mines</i>	Captain H. F. C. Crookshank.
<i>Under-Secretaries of State :—</i>	
<i>Air</i>	{ Lt.-Col. A. J. Muirhead ( <i>till May 16</i> ). Captain H. H. Balfour ( <i>from May 16</i> ).
<i>Colonies</i>	The Marquess of Dufferin and Ava.
<i>Dominion Affairs</i>	Lord Hartington.
<i>Foreign</i>	{ Viscount Cranborne ( <i>till Feb. 20</i> ). Mr. R. A. Butler ( <i>from Feb. 25</i> ). Earl of Plymouth.
<i>Home</i>	Mr. Geoffrey Lloyd.
<i>India and Burma</i>	{ Lord Stanley ( <i>till May 16</i> ). Lt.-Col. A. J. Muirhead ( <i>from May 16</i> ).
<i>Scotland</i>	Mr. H. J. S. Wedderburn.
<i>War</i>	Lord Strathcona and Mount Royal.
<i>Parliamentary Secretaries :—</i>	
<i>Admiralty</i>	Mr. G. H. Shakespeare.
<i>Agriculture and Fisheries</i>	Lord Feversham.
<i>Education</i>	Mr. K. M. Lindsay.
<i>Health</i>	Mr. R. H. Bernays.
<i>Labour</i>	{ Mr. R. A. Butler ( <i>till Feb. 25</i> ). Mr. A. T. Lennox-Boyd ( <i>from Feb. 25</i> ).
<i>Post Office</i>	Sir W. J. Womersley.
<i>Board of Trade</i>	{ Captain D. Euan Wallace ( <i>till May 16</i> ). Mr. R. H. Cross ( <i>from May 16</i> ).
<i>Overseas Trade</i>	Mr. R. S. Hudson.
<i>Transport</i>	Mr. Austin U. M. Hudson.
<i>Treasury</i>	Mr. H. D. Margesson.

### SCOTLAND.

<i>Secretary of State</i>	. . . . . Lt.-Col. D. J. Colville.
<i>Under Secretary of State</i>	. . . . . Mr. H. J. S. Wedderburn.
<i>Lord Advocate</i>	. . . . . Mr. T. M. Cooper.
<i>Solicitor-General</i>	. . . . . Mr. J. S. C. Reid.

# ANNUAL REGISTER

FOR THE YEAR

1938.

## PART I.

### ENGLISH HISTORY.

#### CHAPTER I.

##### MR. EDEN'S RESIGNATION.

WHEN 1938 opened the so-called "National" Government, under the presidency of Mr. Chamberlain, was still strongly entrenched in power. It still commanded a large majority in Parliament, and had as yet little to fear from the progress of the Opposition in the country. But while impregnable to assault from without, it was not without a serious weakness in its internal composition. Since assuming the Premiership six months before, Mr. Chamberlain had by no means always seen eye to eye with his Secretary for Foreign Affairs, Mr. Eden, who of all the members of the Administration was undoubtedly the most popular with the general public. More than once rumours had been current of grave differences between them, and though these had always been officially denied, it transpired later that they had contained a considerable measure of truth. So divergent, in fact, were the views of the two Ministers on certain questions of the first importance that a breach between them was inevitable, unless either the Prime Minister abstained from interfering in foreign affairs, or Mr. Eden did violence to his convictions.

From the time he became Premier, Mr. Chamberlain's dearest ambition had been to bring about an improvement in relations between Britain and Italy, which had been severely strained ever since the imposition of "sanctions" in 1935; nor did he allow himself to be deterred by the failure of his first attempt in July. There were still two main obstacles to such an improvement—British reluctance to acknowledge the Italian conquest of Abyssinia, and British suspicions of Italian designs in Spain. Certainly Signor Mussolini had repeatedly affirmed that he had



no territorial ambitions in Spain ; but so long as he continued to give open assistance to General Franco, his assurances on this point were received with complete scepticism by a great part of the British public. Mr. Eden, as Minister for Foreign Affairs, was still trying his best to bring about the withdrawal of Italian, as of all other foreign troops from Spain, through the agency of the Non-Intervention Committee, but with very little success. Since deciding to send out commissions to Spain in November to ascertain the number of "volunteers" on both sides (*vide* ANNUAL REGISTER, 1937, p. 87), this body had once more relapsed into coma, and Italian participation in the Spanish conflict was as open and flagrant as ever.

The Spanish Civil War itself continued to attract the liveliest interest in England and to be the subject of violent partisan feeling, a large part of the Conservative Party fervently desiring the victory of General Franco, while the Labour Party sided equally vehemently with the Spanish Government. The former were well enough satisfied with the work of the Non-Intervention Committee, to which they ascribed the credit for preventing the conflict from spreading beyond the confines of Spain. The Opposition parties, on the other hand, were still complaining bitterly that in practice the policy of non-intervention, as pursued by the Government, put the Spanish Government at a grossly unfair disadvantage, and so meant in effect intervening actively on behalf of the Insurgents ; and though for the moment the edge of their complaint was somewhat dulled by the unexpected success which just then was attending the Republican arms at Teruel, they did not cease to demand that an end should be put to what they called the "farce" of non-intervention, and that the Spanish Government should be allowed to purchase munitions freely abroad, at any rate until such time as Germany and Italy should have withdrawn their active assistance from General Franco.

While the Government was united in its resolve to keep the Non-Intervention Committee in being, there was a difference of opinion among its members as to the line which the Committee should pursue. Mr. Eden took the straightforward view that the immediate task of the Committee was to bring about the withdrawal of Italian and German forces from Spain, and that only by success in this endeavour could its existence be justified. The Prime Minister was of a different mind. He was anxious above all things to keep on good terms with the Italian Duce, and to secure this end he had no objection to the Italian and German troops remaining in Spain, at any rate until they should have carried General Franco to victory. This difference in outlook between the Premier and his Foreign Secretary had already caused some friction between them, which was partly responsible for the recent vagaries in British foreign policy ; it was soon to

lead to an open breach fraught with dramatic and startling consequences for the political situation both in England itself and in Europe at large.

The predominant part which foreign affairs now played in the business of State was strikingly brought home to the public by the announcement, made just before the New Year, that a new post of the first importance was to be created in the Foreign Office. The new officer, to be known as Chief Diplomatic Adviser, was to be directly responsible to the Secretary of State, and his functions were to be analogous to those fulfilled by the occupants of similar posts attached to other Departments (the Chief Industrial and the Chief Economic Advisers to the Government). They were to include advising the Secretary of State upon all major questions of policy concerning foreign affairs remitted to him for that purpose, and representing the Foreign Office on any occasions, whether at home or abroad, on which the Secretary of State might wish to avail himself of his services. In this way he would afford relief to the Secretary from the increasing burden of attending to day-to-day business, and allow him more time to concentrate his attention upon questions of broad policy. The first holder of the new post was Sir Robert Vansittart, the Permanent Under-Secretary of State for Foreign Affairs, who entered upon his functions immediately, his place in turn being taken by Sir A. M. G. Cadogan, the Deputy Under-Secretary of State for Foreign Affairs. The reasons given for the new departure seemed at the time genuine enough ; but in the light of subsequent developments it came to be regarded as a subtle device for removing from close contact with foreign affairs a man who was in general sympathy with Mr. Eden and replacing him with one who could be relied upon to give unquestioning support to Mr. Chamberlain.

On January 11 the Chairman's Sub-committee of the Spanish Non-Intervention Committee met for the first time since November. In the meanwhile the Technical Sub-committees then appointed had presented their reports, and on the basis of these a comprehensive resolution covering all branches of the Non-Intervention Committee's plan for Spain (the withdrawal of foreigners, the granting of belligerent rights, and the restoration and strengthening of control) had been drawn up for consideration by the Sub-committee. As before, Italy adopted delaying tactics, and weeks went by without the slightest progress being made.

On the naval side, where British interests were more directly affected, the Government acted with more vigour. At the beginning of the year security seemed so well established in the Mediterranean that the experiment had been tried of reducing the patrols established after the Nyon Conference in September (*vide* ANNUAL REGISTER, 1937, p. 71). The results were unfortunate. There was an almost immediate recrudescence of

"piracy," to which British ships also fell victims. On January 20 the British steamer *Thorpeness* was bombed in Tarragona harbour, with the loss of two lives, and on February 1 the steamer *Endymion* was torpedoed near Cartagena with the loss of ten lives. In reporting the latter incident to the House of Commons on the next day, Mr. Duff Cooper, the First Lord of the Admiralty, evinced a coldness and lack of sympathy which exasperated a large part of the House, and made the Opposition more certain than ever that a section at least of the Government were active partisans of General Franco. Mr. Eden, however, made amends on the following day by expressing the deep concern of the Government and by promising that steps would be taken to meet the situation. Before anything could be done, a third British ship, the *Alcira*, was attacked and sunk by two seaplanes near Barcelona on February 4, fortunately without loss of life. At length, on February 7, Mr. Eden announced that the Mediterranean patrol would be strengthened and that a stern warning had been sent to General Franco—who was held responsible for the incidents—that retaliatory measures would be taken if any more occurred. For the time being this warning proved effective.

Speaking before the Council of the League of Nations at Geneva on January 26, Mr. Eden declared that the British Government still held fast to the principles on which the League was founded, namely, the promotion of international co-operation and the achievement of international peace and security on the basis of respect for international law; they believed that true peace and orderly progress could not be looked for in the world unless all nations co-operated in some system based upon those principles. They realised that, owing to the defection of important members, the area of co-operation was restricted and the ability of the League to fulfil all the functions originally contemplated for it was thereby reduced. Nevertheless it seemed to them essential to retain what still existed. They considered that the League, in spite of its limitations, was the best instrument which had yet been devised for giving effect to the principles of international co-operation, and they were therefore determined to keep it in existence, to give it their full support, and to make use of its machinery and procedure to the fullest extent that circumstances permitted. Within the limits which they had to recognise they intended to make it as efficient an instrument as possible.

Mr. Eden's theory of British foreign policy was challenged in the House of Lords on February 16 by Lord Arnold, one of the protagonists of the "isolation" policy. In the course of the debate a number of other speakers, while not endorsing the views of Lord Arnold, agreed with him in questioning the utility of the League of Nations, which was, however, strongly defended by the Labour Peer, Lord Snell. Lord Plymouth, one of the Under-

Secretaries for Foreign Affairs, inclined to the thesis of Mr. Eden. Lord Halifax, however, speaking on behalf of the Government with superior authority, struck a different note. Their aim, he said, was to steer a middle course between a full application of Article XVI, regardless of consequences, and discarding it altogether; they tried to combine the qualities of the realist and the idealist. This meant in practice that their only precise military obligations were to France and Belgium; in all other cases they would be free to act as circumstances might seem to require.

This definition of British foreign policy derived a somewhat ominous character from the fact that it was given by Lord Halifax a few days after Herr Hitler had summoned Dr. Schuschnigg to Berchtesgaden and there unceremoniously ordered him to remould the Austrian Government in such a way as to bring it more into conformity with Nazi ideas. Liberal opinion in England was gravely perturbed at this move, and Mr. Eden was asked in the House of Commons whether England was not pledged to maintain the independence and integrity of Austria. He replied that under the Stresa agreement of 1934 Britain had given this undertaking in conjunction with France and Italy, and she was not called upon to act in the matter until she was approached by one of these Powers, although in fact the British Ambassador in Berlin had indicated to the German Government the interest which the Government took and always had taken in the Austrian question.

In this matter, however, Mr. Eden was not destined to have any say in shaping British policy. By this time his position in the Cabinet had been completely undermined, as a result of the hostility displayed against him by the Italian and German Dictators. He was represented by them—not without truth—as the chief obstacle to a better understanding with England; and however little this may have weighed with the country at large, with the Prime Minister it was a consideration of the first importance. Hitherto Mr. Chamberlain had been able to work more or less amicably with his Foreign Minister because there were other obstacles in the way of the desired agreement which had to be cleared away first. Chief among them were the differences in the Non-Intervention Committee. These at length seemed fairly on the way to settlement; but Mr. Eden's suspicions of the Dictators and their designs remained an insuperable stumbling-block, and at length brought him into open conflict with his leader.

The decision to reinforce the patrol in the Mediterranean had involved consultation with Italy; and it was natural that the conversations thus started should be extended to other subjects. Count Grandi discussed with Mr. Eden the work of the Non-Intervention Committee, and made no secret of his desire that more formal "conversations" should be opened on the questions at issue between Great Britain and Italy, in accordance with the

desire expressed by Mr. Chamberlain and the Duce in the previous summer (*vide* ANNUAL REGISTER, 1937, p. 69). Mr. Eden received these approaches with reserve ; addressing a Junior Imperial League demonstration at Birmingham on February 12, he said, with obvious reference to his talks with Count Grandi, that in any agreements they might make there must be no sacrifice of principles and no shirking of responsibilities merely to obtain quick results that might not be permanent. The Prime Minister, on the other hand, gave Count Grandi every encouragement, and made it clear that Mr. Eden did not possess his confidence in this matter.

Secure in the support of Mr. Chamberlain, the Italian Ambassador became more and more insistent, and at length demanded the opening of conversations in language which Mr. Eden construed as equivalent to a threat, though this view was not shared by his colleagues ; as the words in question were never divulged, the public was unable to judge. Whatever they were, they only strengthened Mr. Eden in his opposition to the opening of conversations before Italy had fulfilled her pledges regarding the withdrawal of her troops from Spain. Matters came to a head at a Cabinet meeting held on February 19. The Prime Minister, supported by a majority of the Ministers present, was in favour of opening conversations with Italy as soon as possible on all matters at issue between her and Great Britain, subject to one or two provisos, such as that the approval of the League of Nations should be sought for any agreement, and that a settlement of the Spain intervention problem was a necessary element in any agreement. Mr. Eden and a few others thought that this course would be tantamount to a yielding to pressure and was therefore fraught with danger. For a time it looked as if there would be a split in the Cabinet, but gradually Mr. Eden's partisans were won over to the side of the majority. Mr. Eden himself, however, remained inflexible, and in spite of all the entreaties of his colleagues, on the next day sent in a letter of resignation to the Premier, giving as his reason that "he could not recommend to Parliament a policy with which he was not in agreement." Lord Cranborne, the Under-Secretary for Foreign Affairs in the House of Commons, resigned with his chief.

The Cabinet meetings of the week-end were followed with intense interest throughout the country, and Mr. Eden's resignation caused the greatest political sensation that had been known for years. What exactly it portended could not yet be clearly seen ; but it was already realised, on the one hand, that it removed a check to the aggressive designs of the German and Italian Dictators, on the other hand that it placed Mr. Chamberlain in a serious predicament, and might bring about his downfall if he could not justify his attitude to the bulk of his followers.

On the next day (February 21) Mr. Eden explained to

a crowded House of Commons the precise reasons why he no longer found it possible to remain in the Government. Dealing first with the immediate issue which divided him from his colleagues, he admitted that the Government had been committed to the principle of formal conversations with Italy ever since the exchange of letters between the Prime Minister and the Duce in July. The question was whether these should be opened now, and it was his conviction that the attitude of the Italian Government to international problems in general and to Great Britain in particular was not yet such as to justify this course. The ground had in no respect been prepared. Propaganda against Britain by Italy was rife throughout the world. He was himself pledged not to open conversations with Italy until this hostile propaganda ceased; and this alone would have placed him in a difficult position if he had had to announce their opening. What was more important, little progress had been made in fact, though much in promise, with the solution of the Spanish problem. Several attempts had been made in the last eighteen months to establish better relations with Italy, but they had all failed, in the main because of the Spanish problem. He submitted therefore that before official conversations were opened at Rome, further progress should be made with the Spanish problem, and the withdrawal of Italian troops should have begun in earnest.

Behind the Spanish problem, Mr. Eden went on, there were still weightier reasons against such a course. Recent months, recent weeks, recent days had seen the successive violation of international agreements and attempts to secure political decisions by forcible means. They were in presence of the progressive deterioration of respect for international obligations. This was a moment for Great Britain to stand firm, not to plunge into negotiations unprepared, with the full knowledge that the chief obstacle to their success had not been removed. It could not be right to take this plunge because one party intimated that it was now or never. He was aware that his colleagues took a different view, and perhaps they were right. But if so, their chances of success would be enhanced if their policy was pursued by another Foreign Secretary, one who had complete conviction in the methods he was being asked to employ. It might even be that his resignation would facilitate the course of those negotiations.

Mr. Eden's speech was punctuated with loud and frequent applause from the Opposition benches and also from a number of Ministerialists, and a similar reception was accorded to a short speech from Lord Cranborne fully endorsing the words of his former chief. There could be no doubt that, under the guise of defending themselves, the two ex-Ministers had delivered a strong indictment of the Government, and one which, if it was not effectively answered, was calculated to cause a serious breach in

the ranks of its followers. The Prime Minister accordingly at once moved the adjournment of the House in order to give his version of the events in question. He was anxious above all things, he said, to serve the cause of peace; and this cause demanded that they should lose no opportunity of entering into conversations with the two European countries with which they had been at variance, namely, Germany and Italy. Such an opportunity seemed to offer itself on February 10, when approaches were made to the Foreign Office by the Italian Ambassador. These were welcomed both by the Foreign Secretary and himself, and up to a certain point they had been able to co-operate cordially. The divergence did not come till the previous Friday, February 18, when the question arose whether it was worth while opening conversations without positive guarantees from Italy. Mr. Chamberlain gave his reasons for thinking that it was. He was convinced, he said, that a rebuff to the Italians would be taken by them as a confirmation of their suspicions that British rearmament was directed against them, and this would be followed by an intensification of anti-British feeling in Italy, rising to a point at which ultimately war between the two countries might become inevitable. Moreover, he was convinced that once the conversations had started, they would find good effects of the new atmosphere in many places, notably in Spain. (Incidentally Mr. Chamberlain denied that anything had been said on the Italian side which could be construed as "now or never.") Consequently he had informed the Italian Ambassador that he was ready to open negotiations, confident that the Italian Government would approach them in the same spirit as the British—namely, in perfect good faith and with a sincere desire to reach agreement. Herein, he said, lay the essential difference between himself and Mr. Eden. He would not say that the actions of the Italian Government in the past had been satisfactory, but he was concerned with the future, not the past. He believed that if the negotiations were approached in a spirit of mutual confidence, there was a good hope that they might be brought to a successful conclusion, but if there was going to be bad faith, even the withdrawing of troops would be useless.

In the discussion which followed, the Opposition scoffed at Mr. Chamberlain's pleas, and a number of Ministerialists also sided with Mr. Eden, though they had the appearance of being the exceptions. In order to test the feeling of the House, the Labour Party on the next day (February 22) brought forward a motion of censure "deploring the circumstances in which the late Foreign Secretary had been obliged to resign his office," and declaring that the House had no confidence in the Government's conduct of foreign affairs. The most aggravating of these circumstances, in the eyes of the Government's critics, was that Mr. Eden's resignation had for some time past been loudly called

for by the German and Italian Press, and his departure therefore had the air of a dismissal carried out at the behest of an external Power—as indeed it was actually interpreted in Germany and Italy and other countries. In again defending the policy of entering into conversations with the treaty-breakers without being too particular as to guarantees, Mr. Chamberlain now added a new argument—that collective security was an illusion, and that they ought not to delude small, weak nations into thinking that they would be protected by the League of Nations against aggression. When reminded that the Government had won the last election on this battle-cry, he replied that at the time of the General Election he had himself still believed this to be possible, but he believed it no longer.

Among the Conservatives who now criticised the Government and supported Mr. Eden the most prominent was Mr. Churchill, who deplored the moral encouragement which the opening of conversations would give to the Italian Dictator. The winding-up speech for the Government was made by Mr. W. S. Morrison, the Minister of Agriculture, one of the Ministers who had originally been inclined to support Mr. Eden, but who now maintained that the opportunity presented of coming to terms with Italy was one which should not be missed. In the division 330 voted for the Government and 168 against, twenty-five Ministerialists abstaining, a result which showed that there was no considerable breach in the Ministerialist ranks.

In the House of Lords, which debated the subject on February 24, criticism of the Government was more restrained and was not pressed to the point of a division. Lord Halifax, like the Prime Minister himself, minimised the difference between him and Mr. Eden; all that it amounted to, he said, was that what the Prime Minister considered should be the vital condition of any agreement with Italy, Mr. Eden considered should be a condition precedent to starting the conversations—an issue which seemed to him only of secondary importance.

From Parliament the conflict was carried into the country. On February 23 the Labour organisations issued a long manifesto in which, after retailing the Government's sins of commission and omission in the field of foreign affairs, they challenged it to submit the issue to a General Election. At the same time advantage was taken of the stir caused by Mr. Eden's resignation to set on foot an enormous propaganda effort. Commencing with March 5, a great eight-day campaign was carried out, in the course of which more than a thousand meetings were held, and innumerable leaflets and pamphlets were distributed, with the object of discrediting the Government in general and the Prime Minister in particular. Mr. Chamberlain's somewhat cynical repudiation of the League of Nations had infuriated those who still pinned their faith to that body, and made him an object of



bitter animosity to a large section of the population. "Chamberlain must go" became a popular slogan, scrawled on numberless walls and repeated at numberless public meetings. This feeling was intensified by the German seizure of Austria and the renewed Italian offensive in Spain which almost immediately followed, and which were regarded by many as the logical outcome of Britain's new foreign policy. Nevertheless the bulk of Conservative opinion, though greatly perplexed, did not lose faith in Mr. Chamberlain; and Ministerialist members of Parliament, on taking stock of their constituencies, did not find themselves seriously urged to turn against the Government.

Before he could appoint a successor to Mr. Eden, the Prime Minister was pressed by the Labour Party to give an undertaking that the new Minister of Foreign Affairs would be a member of the House of Commons. Their object was obviously to prevent the appointment of Lord Halifax, on whom his choice would naturally fall if he were allowed a free hand, and who in fact was already temporarily in charge of the Foreign Office. Mr. Chamberlain admitted that, other things being equal, it was preferable that the Foreign Minister should be in the House of Commons, but he denied that there was any constitutional rule to that effect, as the Labour Party tried to make out, and in fact on February 26 he did appoint Lord Halifax, whose qualifications for the post on personal grounds were not denied by the Labour Party itself, much as it disliked his politics. To meet Labour strictures, Mr. Chamberlain promised that he himself would be responsible for answering questions on foreign affairs in the House of Commons. Mr. R. Butler, the Parliamentary Secretary to the Ministry of Labour, became Under-Secretary for Foreign Affairs in place of Lord Cranborne. Soon afterwards (March 2) Viscount Hailsham, the Lord Chancellor, succeeded Lord Halifax as Lord President of the Council, his place on the Woolsack being taken by Lord Maugham, a Lord of Appeal.

In the course of his statement on February 21, the Prime Minister had announced with a great flourish of trumpets that he had just received from Count Grandi an assurance that Italy accepted the latest British plan for the withdrawal of foreigners from Spain, and that no obstacle remained therefore to the opening of conversations. Lord Perth, the British Ambassador in Rome, immediately came to London to receive instructions; and, thus armed, he returned to Rome and entered into formal negotiations with Count Ciano on all questions at issue between the two countries.

One of the new Foreign Minister's first steps was to extend to Germany the methods of appeasement—as the Prime Minister was fond of calling them—which were now being tried with Italy. A good opportunity seemed to offer itself in the visit to London on March 9 of Herr von Ribbentrop, hitherto German Ambassador

in England, who had just taken the post of Herr Hitler's chief adviser on foreign affairs. British differences with Germany seemed on the surface to be more easily capable of adjustment than those with Italy; they arose chiefly from Germany's demand for colonies and from Herr Hitler's resentment at attacks upon him in the British Press. But here too there was the same stumbling-block in the way of negotiations: Germany was disregarding her pledged word in regard to Austria in the same way that Italy was disregarding hers in the matter of Spain.

In the case of Italy there was a convenient Non-Intervention Committee to which the "snag" could be passed on; in the case of Germany the Government had to handle it themselves. On March 10 Lord Halifax addressed to Herr Ribbentrop a grave warning on the Austrian situation and on what appeared to be the German Government's policy in regard to it. He told him that the Government attached the greatest importance to all measures being taken to ensure that the plebiscite which was about to be held in Austria should be carried out without interference or intimidation. On the next day, as soon as it was reported that an ultimatum had been sent to Austria, further representations were made by Lord Halifax and the Prime Minister, and a strong protest was entered in Berlin by the British Ambassador.

If anyone in England imagined that such protests as these had any influence on the German Government, or that in case of need they would be followed by appropriate action, he was soon to be bitterly undeceived. Baron von Neurath sent a letter to the British Ambassador telling him in very plain language that Austria was none of Britain's business; Herr Hitler went on with his *coup*, and before many hours had passed Austria had been seized and practically converted into a German province. Indignation in England at the shameless rape carried out by Germany was naturally profound, and in giving an account of the affair to the House of Commons two days later (March 14) the Prime Minister warmly refuted Baron von Neurath's statement that Britain was not within her rights in interesting herself in the independence of Austria. He also stated that the methods used by Germany called for the strongest condemnation and had administered a severe shock to all who were interested in European peace. But in face of the inaction of other Powers more closely interested, he plainly regarded as chimerical any idea of going to the rescue of the sufferer.

Mr. Chamberlain concluded by saying that the events with which he was dealing could not be regarded by the Government with indifference or equanimity. They were bound to have effects which could not yet be measured. The immediate result must be to intensify the sense of uncertainty and insecurity in Europe, and to retard economic recovery. The Government, he said, would consider the new situation quickly and with cool

judgment, and he warned the House that an extension of national effort would almost certainly be called for.

In the discussion which followed, practically all speakers recognised—however regretfully—that the *fait accompli* in this instance had to be accepted. But the leaders of both the Opposition parties refused to absolve the Government of all responsibility for it, and insisted on regarding it as the first-fruits of Mr. Eden's departure from the Foreign Office. Mr. Churchill gave an impressive sketch of the alteration in the balance of power in Central and South-eastern Europe caused by the Nazi domination of Vienna, and along with other speakers urged the Government to give some pledge for the maintenance of the independence of Czechoslovakia. Mr. Butler, in reply, said that the obligations of the Government to Czechoslovakia—as to Austria—were those which every member of the League of Nations assumed towards its fellow-members, and apart from that no special guarantee had been given. He also informed the House that solemn representations had been made by the British Ambassador in Berlin on the subject of the treatment of Catholics, Socialists, and Jews in Austria, and assurances had been received that every effort would be used to ensure moderation—a statement to which a bitter irony was lent by subsequent events.

The subject was discussed in the House of Lords two days later (March 16), when Lord Snell, the Labour Peer, gave eloquent expression to the grief and indignation felt by all right-thinking men at what was happening in Austria; the *Anschluss*, however, was not without its defenders, and received a blessing from the Archbishop of Canterbury. Lord Halifax stated that successive British Governments since the War had never supposed that the existing status in Austria could be maintained for all time, and they had been perfectly willing to recognise the special interest of the German Government in the relations between Germany and Austria, and to contemplate revision of the Peace Treaties. They were, however, concerned to see that no changes should be made in Europe by violence, or something approaching violence, and had consequently stipulated that change, if desired, should be brought about only through the agency of the League of Nations. Events, however, had moved too quickly for them, and they had been presented with a *fait accompli* carried out in a way for which he could recall no parallel in history. He thought it was useless to refer the matter to the League of Nations. Nothing that the League could do could undo what had been done. Nothing short of war could put back the clock, and States members of the League were not prepared to go to war on this issue.

With regard to Czechoslovakia, Lord Halifax informed the House that solemn assurances had been given to the Government of that country by the German Government, and by these the British Government expected the German Government to abide.

They had, he said, noted the grave warnings uttered by Mr. Churchill and Lord Cecil on the subject, and were in close consultation with the French Government on all these questions. For the rest it would be their purpose to reassert the claims of international law as opposed to the exercise of force in the settlement of international disputes, and to make the necessary material preparations for serving this object.

Any hopes which Lord Halifax may have raised that the Government was intending to take a stronger line in defence of Czechoslovakia than of Austria were soon disappointed. On the same day Mr. Chamberlain, in answer to questions in the House of Commons, repeated that the obligations of Great Britain to Czechoslovakia were simply these of one member of the League of Nations to another, and though he said that the question was still under consideration, he held out no prospect that the Government would undertake further commitments. To the Opposition parties, as also to a considerable number of Ministerialists, this attitude was profoundly unsatisfactory, and they determined not to let the matter rest.

Of more immediate concern, however, was the situation in Spain, which latterly had undergone a change almost as sinister in their eyes as that in Central Europe. At the beginning of the year it had been the general opinion that the Republican forces in Spain could hold out, if not indefinitely, at any rate for years, and that a quick decision was not in sight—certainly not in favour of the Insurgents. But the attack launched by General Franco in February was meeting with a success which made an early victory on his part a possibility to be reckoned with. It was asserted by the Spanish Government—on what appeared to be good evidence—that the success of General Franco was due to large accessions of aeroplanes and other material which he had lately received from Germany and Italy and which gave him a decisive superiority in military equipment. The Labour Party in England accepted this view, and became more than ever anxious that the Spanish Government should be given facilities for obtaining material with which to counter the superiority of their opponents. On March 16, at question time in the House of Commons, they called the attention of the Prime Minister to the allegations made in the Spanish *communiqué*, only to be met with a flat denial of their accuracy. Mr. Attlee thereupon demanded and obtained the adjournment of the House to consider the foreign intervention in Spain as a matter of grave public urgency.

In putting the motion Mr. Attlee called attention to the lack of any Ministerial policy to counter “the grave menace to British interests arising out of the armed intervention in Spain by certain foreign Powers.” The conquest of Spain by the Fascist Powers, he said, would endanger the peace, freedom and security of Great

Britain. To hand over Spain to the Fascist Powers would be strategic madness, as it would place a vassal State of theirs on the southern frontier of France, and make the ports of Spain available for ships operating against British trade routes. Would the Government not see now that there could be no trust in the word of dictators, and allow the Spanish Government to receive arms ?

The Prime Minister in reply once more declared himself sceptical as to the reports of increased Italian intervention in Spain, and in any case refused to see in it any threat to British interests. The great thing for Britain, he said, was to keep aloof, whatever other nations might do. Sir John Simon carried the attack into the enemy's camp by roundly declaring that the Labour Party were in favour not merely of raising the embargo on the sale of arms to the Spanish Government, but of actively intervening on their behalf. This was strenuously denied by the Labour leaders, but Sir John was able to quote some damaging remarks from statements made by them ; and certainly, as he said, they had managed to create this impression in the country.

In the course of the next few days, Labour members repeatedly tried to hold up the negotiations with Italy by calling attention in the House of Commons at question time to alleged breaches of the Non-intervention Agreement by Italy since the opening of the negotiations. For some days the Under-Secretary for Foreign Affairs, to their great exasperation, denied that the Government had any official information of the facts alleged, although they were reported in the Press as being beyond dispute. At length on April 12 Labour speakers adduced evidence which even the Government had to admit was irrefragable, and Mr. Chamberlain then took refuge in the plea that the Italian reinforcements had made no "material" change in the situation, and therefore did not affect the negotiations.

At the beginning of March, M. Maisky, the Soviet Ambassador, informed Lord Plymouth that his Government were now prepared to accept, with one or two reservations, the British formula for withdrawing the foreigners fighting in Spain and for granting limited belligerent rights to both sides. As this formula had already been accepted in principle by the French, German, and Italian Governments, there was no apparent reason why it should not have been put into execution ; but in fact no action was taken. The next meeting of the Chairman's Sub-committee was not held till March 31, and then its deliberations were mostly concerned with the problem of finding funds for keeping the naval control scheme—such as it was—in being.

Meanwhile the Foreign Affairs Committee of the Cabinet was busy trying to formulate a policy to meet the altered situation in Central Europe. Rumours were current of serious divisions in the Cabinet over the matter ; certainly Mr. Chamberlain's statement on March 16 had by no means satisfied all his col-

leagues, and on March 21 he was forced to dissociate the Government from an indiscretion of one of his subordinates, Mr. Lennox-Boyd, the new Parliamentary Secretary of the Ministry of Labour, who had said in a public speech that Britain should not interest herself in Czechoslovakia. This at first apparently had been the Prime Minister's own idea ; the policy which was finally decided upon at a Cabinet meeting on March 22, and which was explained by him to the House of Commons two days later, was considerably different.

Mr. Chamberlain was first of all at some pains to remove the unfavourable impression which had been made by his reference to the League of Nations a few weeks earlier. He drew a distinction between what he called the automatic commitments of the British Empire and those which she was free to undertake at her own discretion. The former included the obligation to come to the assistance of France or Belgium if attacked. The latter included responsibility for assisting Czechoslovakia under the Covenant of the League of Nations. In view of recent events in Austria, the question had arisen whether Britain should not go further than this and forthwith give an assurance to France that, in the event of her being called upon by reason of German aggression on Czechoslovakia to implement her obligations under the Czechoslovak Treaty, she would immediately employ her full military force on her behalf. Or, alternatively, should they at once declare their readiness to take military action in resistance to any forcible interference with the independence and integrity of Czechoslovakia, and invite any other nations which might so desire to associate themselves with Britain in such a declaration. Both these suggestions—involving as they did automatic commitments in relation to an area where British interests were not vitally concerned—were emphatically rejected by Mr. Chamberlain. This did not mean, however, that in all circumstances Britain would keep aloof ; if war broke out, the inexorable pressure of facts might well prove more powerful than formal pronouncements, and even without having assumed legal obligations, Britain might well find herself beside a country to which she was bound by such ties of friendship and interest as France. In any case, the Government would always be ready to render any help in its power towards the solution of questions likely to cause difficulty between the German and Czechoslovak Governments.

In regard to Spain, the Premier announced that there would be no change in the policy of the Government ; while abstaining from intervention, they would continue to devote their efforts to such humanitarian work as was possible for the benefit of the Spanish people as a whole, and with this end in view they had in fact made strong representations to the Salamanca Government on the recent bombing of Barcelona, at which Mr. Chamberlain

had already expressed his "horror and disgust" in the House of Commons. With regard to Italy, Mr. Chamberlain once more declared the Government's confidence that that country would loyally assist in the British plan for the withdrawal of foreigners from Spain, and its unquestioning acceptance of Signor Mussolini's assurance that Italy had no territorial, political, or economic aims in Spain or the Balearic Islands. None the less the British rearmament programme would have to be persisted in, and even accelerated.

Mr. Chamberlain's speech did little to allay the apprehensions of the Opposition with regard to the trend of British foreign policy. Both of the Opposition leaders complained that, while he professed his aim to be the preservation of peace, he had outlined no positive policy for realising it, and that he was in fact drifting into war. They could see no sign in his speech that he meant at last to stand up boldly to the aggressors, which in their idea was the only way of securing peace in Europe. They found his assurances with regard to Czechoslovakia too vague to be satisfactory, and Mr. Attlee exclaimed at his "amazing credulity" in being willing to take the word of the Italian dictator. Mr. Churchill, on the other hand, while he would have liked the Premier's undertaking in the matter of Czechoslovakia to be more explicit, thought that his words could be understood as a definite commitment to stand by the side of France in case of need, and therefore likely to act as a sufficient deterrent to Germany, at least for the time being—an interpretation which seemed to be subsequently accepted by Sir John Simon. This was the general view even of those Ministerialists who had hitherto been critical of the Government since Mr. Eden's resignation, and the Prime Minister could at last once more claim to have a united party behind him.

Soon after the debate the Labour Party issued a manifesto calling for an immediate meeting of the League of Nations, for closer co-operation between Britain, France, and Russia, and for raising the embargo on the supply of arms to the Spanish Government. The Government, well satisfied with the impression made by Mr. Chamberlain's speech both at home and abroad, naturally ignored these demands. It even went so far as to insinuate that Labour itself, in spite of its protestations, was really behind the foreign policy of the Government. The Executive of the Party could find no better way of disposing of this claim than to bring forward a vote of censure (April 4), against the wishes of many of its own members and of the Liberal Party. By this time the Conservatives and even the Liberals had made up their minds to give Mr. Chamberlain's policy a trial, and, after a debate in which the honours easily lay with the Prime Minister, the motion was defeated by 359 votes to 152.

Mr. Chamberlain's policy of "appeasement" abroad went

hand in hand with one of rearmament at home. Speaking at Birmingham on February 18, he had declared that, while the first object of the Government was to maintain peace, the second was to make Britain so strong that no one would dare to attack her, and to ensure that when Britain talked her voice would be listened to. They had, he said, a tremendous task in front of them in rearming the country with modern weapons, and in building up the defences which—in the hope of setting an example to others—they had allowed to fall too low. A grim corollary to this statement was provided by a White Paper on Defence issued on March 2, which disclosed that for the coming year the Estimates of the three Defence Departments provided for expenditure amounting to 343,250,000*l.*, or 63,000,000*l.* more than the Estimates of the previous year. Of this expenditure, 90,000,000*l.* was to be met by borrowing under the terms of the Defence Loans Act. As if this was not enough, warning was at the same time given that the expenditure in the following year would be even heavier.

On March 7 the Prime Minister, in view of the known intention of the Labour Party to criticise the Government's policy, formally asked the House of Commons not merely to consider but also to approve the White Paper. He commenced by pointing out that this was the fourth consecutive White Paper of its kind—a fact significant of the state of international affairs and international relations. Whereas the first two were devoted largely to the circumstances which had led the Government to the conclusion that rearmament was necessary, and the third gave some indication of the extent of the field to be covered, this one was in the nature of a survey of the progress made, and it contained also some account of the measures taken by the Government for the protection of civilians against the effect of air-raids. Referring to the functions of the Minister for the Co-ordination of Defence, Mr. Chamberlain maintained that satisfactory progress had indeed been made in the work of rearmament, and the money allocated for the purpose was being wisely spent, and full value was being obtained for it. Dealing more particularly with the Air Force, about which some misgivings had been recently expressed in Parliament, he demurred to making first-line strength the criterion, and declared that if they took account of the aggregate and effectiveness of their resources, there was no reason to be dissatisfied. If it was asked what policy was to be served by this defence plan, the answer was that there were four main objectives—to provide for the security of the country, to protect the trade routes, to defend British territories oversea, and to co-operate in the defence of any allies they might have in the event of war. In regard to cost, he warned the House that they must now expect a substantial advance on the 1,500,000,000*l.* which was the figure at first contemplated for the five-year plan.



He hoped they would be able to pursue the scheme of rearmament without any undue acceleration, but if their efforts at appeasement in Europe failed, they would not hesitate to revise their programmes or their rate of acceleration.

An amendment was moved by the Labour Party condemning "the provision of immense armaments to further a dangerous and unsound foreign policy undertaken by the Government in defiance of its election pledges" to support collective security. The Leader of the Liberal Party also upbraided the Government for not including collective security among the objectives of its defence policy. To Ministerialists, however, the only part of the Premier's speech to which it seemed that exception could be taken was that which dealt with the Air Force. Mr. Churchill described his references to the subject as "vague and reserved," and hazarded the opinion that Germany had twice as many aeroplanes as Great Britain, and that the deficiency was not being made up. Sir T. Inskip in reply assured the House that the 1,750 machines promised in March, 1936, would be ready by March, 1939, and that these would be up-to-date machines of the highest possible standard of power and capacity. He also gave reassuring statements with regard to the balloon barrage round London and the coast air defences. The Labour amendment was finally defeated by 351 votes to 134, and the motion was carried by 347 votes to 133.

Having decided that an acceleration of the defence programmes was necessary, the Government lost no time in approaching the unions of workers and employers whose co-operation was indispensable for this purpose. On March 23 the Prime Minister met the General Council of the Trades Union Congress at 10 Downing Street—their first official visit there since the general strike of 1926—and, without putting before them any specific proposals for securing acceleration, which, he said, would be a matter for them and the employers to arrange, appealed for their goodwill and help. The General Council promised to consider the Premier's statement at the earliest possible date. On March 28 Mr. Chamberlain had a similar meeting with the representatives of the National Confederation of Employers' organisations, who replied without hesitation that they would give him all the assistance in their power.

While perforce giving its first attention to problems of defence and foreign affairs, the Government did not neglect its programme of domestic legislation, which contained several important measures. As soon as Parliament met on February 1 it resumed consideration of the Coal Bill. Before the Christmas vacation this measure had already obtained its second reading, and its first part, dealing with the nationalisation of royalties, had passed through Committee. The House now attacked the most contentious part of the Bill, dealing with compulsory amalgamations.

After their first outcry, the coal-owners had resigned themselves to accepting the proposals of the Government on this point in substance, and they were now concentrating their efforts on obtaining facilities for securing a better hearing of their objections to any proposed amalgamation, and stronger protection against bureaucratic control. For this purpose they proposed various amendments. The Minister in charge of the Bill, Mr. Stanley, recognised that their grievance was in substance legitimate, and to meet it proposed that instead of a compulsory amalgamation order to which objection was taken being dealt with in Parliament by means of an opposing resolution, it should go to a select committee in each House where coal-owners, local authorities, and others who had objections, could put their point of view to be heard through counsel. The Labour Party opposed this as placing yet another obstacle in the way of amalgamations, but the coal-owners accepted it, and it was duly embodied in the Bill.

The third part of the Bill, dealing with selling schemes, had the support both of the employers and the Labour side of the industry, but it was strongly criticised by champions of the consumer, especially the industrial consumer. There was already, it was pointed out, a disquieting gap between costs of production at the pithead and prices to the consumer, and it was therefore dangerous to give new monopolistic powers to the industry without greater safeguards for the consumer than the Bill at present contained. The Minister, however, did not see his way to accede to this request, and confined himself to obtaining further assurances from the coal-owners that they would not take undue advantage of their privileged position.

In the debate on the third reading on April 5 Mr. Stanley maintained that there was no departure from Conservative principles in the unification of royalties. It had, he said, always been held that in certain circumstances the rights of property must give way to the national interest, and this type of legislation was the only way to meet the changed economic facts of a new world. Lest, however, the Labour Party should be inclined to triumph unduly, Captain Crookshank, the Minister of Mines, made it clear to them that there would certainly be no amalgamations by compulsion as soon as the Bill was passed, though the Commission would keep the weapon of compulsion in reserve. Mr. Shinwell, on behalf of the Labour Party, accepted the Bill as being better than nothing from the point of view of the worker, and the third reading was allowed to pass without a division.

Another important measure which had reached the Committee stage before Christmas was the Films Bill (*vide* ANNUAL REGISTER, 1937, p. 88). When the discussion of it was resumed on February 23, Labour members proposed that a Films Commission consisting of 21 members, including representatives of the industry, should be substituted for the Cinematograph Films Council to be set up

under the Bill, but the Government resisted the proposal on the ground that the film industry was not susceptible to this form of control, and it was defeated by 201 votes to 140. The Bill passed the Commons without further change and was only slightly amended by the House of Lords.

On February 3 the text was issued of a new Housing Bill, making further financial provision for slum clearance and for the elimination of overcrowding. For houses completed after the ensuing January 1 the subsidy was for the first time to be the same for slum clearance and for dealing with overcrowding, and to consist normally of an Exchequer payment of 5*l.* 10*s.* a house along with a contribution from the rates of 2*l.* 15*s.* for forty years. For rural houses there was to be a subsidy of 10*l.* for 40 years. It was estimated that with the new scale of subsidies it should be possible on the average to let cottages at rents ranging from 6*s.* to 7*s.* a week, flats at from 7*s.* to 8*s.* exclusive, and cottages for the agricultural population at 3*s.* to 4*s.* a week. The total annual charge was estimated at 2,710,000*l.* for the Exchequer, and 1,230,000*l.* for the rates.

In moving the second reading of the Bill on February 15, the Minister of Health stated that already under the slum clearance programme some 800,000 persons had been removed from slums to good housing conditions, and others would be dealt with at the rate, on an average, of 25,000 a month, while some 17,000 new houses had been built or approved for the abatement of overcrowding. Another 400,000 houses, however, were still needed to complete the effort, and this would mean between five and six years of steady work at the present rate of building, which represented the most that was immediately practicable in view of the heavy demands on the building industry due to the Government's defence programme. The Labour Party criticised the new provisions as being no better than the old, which they regarded as highly inadequate, but their effort to reject the Bill was defeated by 258 votes to 137.

On February 17 the Government announced in a White Paper that it had decided, following the recommendations of a Committee appointed by the Ministry of Health and presided over by Lord Ridley, to go a step further in the decontrol of houses still subject to rent restriction. Houses with a rental above 45*l.* in London and Scotland and 35*l.* elsewhere had already been decontrolled in 1933. The Government now proposed to decontrol houses which in 1931 had a yearly or rateable value exceeding 35*l.* in Scotland and London, and 20*l.* elsewhere (Class B houses).

The second reading of a Bill giving effect to this decision was moved by the Minister of Health on March 2. The Government, he said, was guided by the principle that in the national interest decontrol should be introduced as soon as there was an adequate supply of housing accommodation. This seemed to be the case

now with the houses in question. The number of Class B houses in England and Wales had increased from 1,500,000 in 1914 to 3,000,000 in 1937, and was growing at the rate of 130,000 per annum, and rather less than 1,000,000 of them were at present controlled. The Government believed therefore that there was not such a shortage of Class B houses that if control were removed scarcity rents could be exacted. The Labour Party took a different view, but on the matter being put to the vote the second reading was carried by 258 votes to 138.

On March 9 the House of Commons voted a Supplementary Estimate of 360,000*l.* for the British Broadcasting Company. The Postmaster-General stated that by the end of March 8,540,000 licences would have been issued. The Estimate included a sum of 295,000*l.* for the development of television and the provision of a public television service, and 15,000*l.* for foreign language broadcasts. The first of these—in Arabic—had been started on January 3, and broadcasts in Spanish and Portuguese for the populations of South America were issued before the end of March. Suggestions were made that German and Italian should be added, but the Minister would make no promise on this head. The primary object of these broadcasts was to combat anti-British propaganda carried on in these languages in the Near East and in South America. The Government, however, was now awake to the importance of spreading a better understanding in general of Britain and the British people abroad, and for this purpose had a month before set up a Committee, with Sir Robert Vansittart as Chairman, to co-ordinate the programmes and activities of the bodies engaged in various forms of publicity abroad.

On March 8 the report was issued of the Committee appointed in the previous winter, under the chairmanship of Lord Cadman (*vide* ANNUAL REGISTER, 1937, p. 92), to inquire into the condition of civil aviation. The Committee found that the complaints made in the debate on the subject in November were more than justified; outside of the British Empire, British civil aviation was at a low ebb indeed. The Committee held that national prestige and the interests of British civil aviation required that first-class air services, financially assisted by the State as necessary, should be established between London and all the principal capitals of Europe, in particular that a day service to Berlin should be inaugurated with British aircraft as soon as possible. Air services should also be inaugurated with South America and the West Indies and the Pacific; and for this purpose Parliament should sanction a raising of the present annual limit of 1,500,000*l.* for the aggregate amount of subsidies in one financial year. The Committee also found that the relations of Imperial Airways with the Air Ministry, its dealings with its staff, and its internal management, were profoundly unsatisfactory, and made various recommendations for remedying matters.

Along with the report, the Government issued its own observations, in which it pointed out that since 1923 Governments had deliberately adopted a policy of concentrating on the development of Empire routes, and the Government was convinced that this policy was right, and that the maintenance and development of Empire routes must remain a first charge on the financial assistance which it was able to devote to civil aviation. They were now, however, prepared to pay more attention to other branches also, and for this purpose announced their intention of accepting the chief recommendations of the Committee. For improving organisation a number of new posts would be created—first and foremost, a Permanent Under-Secretary of State for Civil Aviation, who would exercise general administrative direction in civil aviation matters and be charged with the duty of ensuring full and constant correlation of the policies of civil and military aviation. In these duties he would have the assistance of the Director-General of Civil Aviation, who would be provided with a deputy to relieve him of much of the day-to-day work of the Department, especially in the matter of finance. To strengthen the technical side, a post of Director of Civil Research and Production would be created. In order to secure an expansion of civil air lines, the Government would recommend to Parliament that the statutory limit of the aggregate annual amount of subsidies payable to air transport companies should be increased from 1,500,000*l.*, as fixed in 1936, to 3,000,000*l.* Further, the European services would be detached from Imperial Airways and transferred to British Airways, and concurrently certain changes would be made in the organisation of Imperial Airways and British Airways so as to equip them more adequately for their increased responsibilities.

With regard to another recommendation of the Committee—that an additional Parliamentary Secretary of State for Air should be appointed—the Government stated that it had not yet made up its mind. On March 11, however, it announced that Lord Winterton, the Chancellor of the Duchy of Lancaster, had been appointed an additional member of the Air Council, on which he would act as deputy to the Secretary of State for Air, dealing in the House of Commons with all major questions on the Service side, and this would leave Colonel Muirhead, the Under-Secretary of State for Air, free to devote himself to the needs of civil aviation. Lord Winterton at the same time entered the Cabinet.

The Estimates for the coming financial year published at this time put expenditure on the Air Force at 111,502,000*l.*, or nearly 23,000,000*l.* more than in the current year; on the Navy at 123,707,000*l.*, or an increase of 18,642,000*l.*; and on the Army at 114,419,000*l.*, an increase of 22,237,000*l.* The additional expenditure in the case of the Air Force was due chiefly to increase of armament, in the case of the Navy to greater activity in construction, and in case of the Army to re-equipment with modern

weapons and to the provision of additional and improved barrack accommodation. Civil expenditure for the year was reckoned at 442,000,000*l.*, as against 419,000,000*l.* in the current year. Excluding the 90,000,000*l.* which was to be raised by loan and allowing the same figure as last year for Debt Charges and nothing for Supplementary Estimates, this meant that the Chancellor would have to find 931,440,000*l.*, or about 68,592,000*l.* more than last year.

In introducing the Army Estimate on March 10, Mr. Hore-Belisha reported that he was actively proceeding with the re-organisation of the Army and the modification of its spirit and character which he had commenced so dramatically six months before (*vide* ANNUAL REGISTER, 1937, p. 93). The rôle of the Army, he said, had somewhat changed in recent years, since on the outbreak of war defence against air attack might be the primary requirement and not the provision of an expeditionary force, as in Lord Haldane's day. Consequently it had been decided to substitute for the stereotyped division created by Lord Haldane two types—one, a motorised division based on the light machine-gun; the other a mechanised armoured division based on the tank; and, generally speaking, the strength of the modern army would be reckoned not merely in men but in terms of fire power and mobility. Dealing with the promotion of officers, he said that the Army could no longer afford to have regard only to seniority, and officers were now being selected for the most responsible posts on merit alone, regardless of either age or youth. Finally, improvements were being made in conditions for the rank and file of the Army, so as to make it a more attractive career.

When the Air Estimates were introduced on March 15, Opposition speakers called attention to current reports that there was a great deal of muddle and chaos at the Air Ministry on the military side, and demanded an inquiry on the same lines as that which had been held into the state of civil aviation. The Prime Minister now, as five months before, dismissed the charges as fantastic, and once more paid a tribute to the work of Lord Swinton. Some errors of judgment, he said, some delays and disappointments had been inevitable in the rapid carrying out of a vast programme which had meant multiplying the Air Force fourfold; but this was not the time to harry those responsible with an inquiry based on criticisms that did not seem to him to rest on very competent authority.

In spite of Mr. Chamberlain's confidence members were still doubtful, and in the debate on the Report stage of the Air Estimates on March 21, Mr. Wedgwood Benn asked for some assurance that Britain was at least on the way to achieving air parity with Germany. Mr. Churchill also once more expressed his uneasiness at the apparent decision of the Government to discard the criterion

of first-line strength which had been clearly laid down by Lord Baldwin when he was Prime Minister. Lieut.-Colonel Muirhead in reply said that it would not be in the public interest to give definite figures, but he repeated the Premier's assurance that the Government plans were calculated to give them an Air Force which would be "an effective instrument for their purpose," having regard to the nature of their problems and the availability of their aggregate resources.

In the discussion on the Navy Estimates on March 17, general satisfaction was expressed with the strength and efficiency of the Navy, though Mr. Alexander questioned whether even so vast an Armada would be equal to its task unless there were some change in the foreign policy of the Government. Mr. Shakespeare, the Financial Secretary to the Navy, stated that the British, along with the French and American Governments, were considering the advisability of invoking the "escalator clause" of the London Naval Treaty of 1936, which would allow them to build warships of over 35,000 tons. The reason was that Japan was reported to be contemplating the construction of such vessels. On February 5 a request had been made to Japan for definite information of her intentions, but so far this had not been forthcoming, and the Government were loth to enter into a new arms race so long as there was still a hope that Japan would respect the limits laid down in the London Treaty.

The British Government, along with the American and French Governments, waited till April 1. On that date a Note was issued stating that in view of the refusal of the Japanese Government, on being formally approached, to give assurances that the reports of her building battleships above 35,000 tons were ill-founded, the Government had no alternative but to regard them as substantially correct. They had therefore decided to exercise the right reserved to them in the Treaty of departing from the restrictions on battleship tonnages. No decision was yet taken on the size of the larger ships to be built, and in any case, according to the Treaty, three months had still to elapse before building could commence.

On January 4 a White Paper was issued stating that the Government had decided to send out to Palestine a technical fact-finding Commission to study the details and the practicability of the plan of partition outlined by the Royal Commission in July, 1937. The decision was published in the form of a dispatch from the Secretary of State for the Colonies to the High Commissioner in Palestine. The Government showed itself in no hurry to implement the decision, and on March 8 somewhat heated complaints were made in the House of Commons about the delay in sending out the Commission, and generally in settling the condition of Palestine. Mr. Ormsby-Gore, in reply, stated that there had been no change in the Government's policy re-

garding partition, but they had been obliged to take account of the recommendations of the Permanent Mandates Commission, as well as of the Peel Commission, in fixing the terms of reference of the Commission, and they could not be rushed. The Commission, which was presided over by Sir J. Woodhead, left England on April 21.

The third week of the year saw the opening of negotiations between Great Britain and Eire—as the Irish Free State was now called—for which the way had first been prepared during the interviews between Mr. De Valera and Mr. MacDonald a year before (*vide* ANNUAL REGISTER, 1937, p. 4). On January 15 the Irish Premier, accompanied by three of his colleagues, came to London, and two days later he opened formal discussions with Mr. Chamberlain and other Ministers. The main subjects of discussion were four in number—partition, defence, financial relations, and trade relations. After a promising beginning, serious difficulties revealed themselves, especially over the question of partition, while the drafting of a trade agreement, though feasible enough in itself, involved a mass of detail which rendered it a very protracted business. At one point—early in March—it seemed impossible that the two parties could ever agree on the question of the relations of Eire to Northern Ireland. However, by using all his influence, Mr. Chamberlain induced Mr. De Valera to forgo his demands in this matter, and once this difficulty was removed, the other points were taken up in a spirit of good will which augured well for an ultimate accommodation.

On January 26 M. Van Zeeland, the Belgian economist and ex-Premier, presented to the British Government the report on the obstacles to international trade which he had been commissioned by them to draw up some nine months before (*vide* ANNUAL REGISTER, 1937, p. 18). The report—which was made public a couple of days later—stated that these obstacles lay on the one hand in exchange restriction and instability of currencies, on the other hand in tariffs and quotas. For removing the financial obstacles M. Van Zeeland suggested that assistance should be given to debtor countries by way of loans from creditor countries, and adjustment of external debts in order to make it possible for them to scrap their currency restrictions and clearing arrangements and so play their full part in the economic life of the world. The existing machinery of the Bank for International Settlements should be used for this purpose. Further, in order to promote monetary stability, there should be a revision and extension of the Tripartite Monetary Agreement between Britain, France, and the United States, with an undertaking by each country to keep possible currency variations between certain limits. In respect of tariffs M. Van Zeeland recommended that Governments should undertake not to raise their tariffs and should carry out a reduction of such duties as were exceptionally high, that restrictions on the export of raw materials should be abolished, that



bilateral commercial agreements based on the unrestricted most-favoured-nation clause should be encouraged, and that joint committees should be set up to consider practices in the nature of unfair protection. For mitigating quotas he recommended that industrial quotas should be suppressed and that agricultural quotas should be modified. Finally, M. Van Zeeland recommended that, with the main lines of the report as a basis of discussion, representatives of the principal economic Powers—France, Great Britain, the United States, Germany, and Italy—should meet as soon as possible in order to set up an international bureau for the study of economic grievances and with a mandate to draw up a programme of constructive action based on the conclusions of the report.

Referring to the report in the House of Commons on February 1, the Prime Minister said that it raised many complicated financial, economic, and political issues which would require careful study by the Governments concerned, and until this had been concluded it would be premature for him to make any considered statement. He indicated that his own Government would regard such study as a matter of urgency, describing the report as a constructive effort to restore economic international co-operation. Such a restoration, however, demanded as its basis a certain easing of the political tension in Europe, and as no sign of this appeared, the report was for the time being practically shelved.

On January 26 a deputation from the National Council of Labour waited upon the Prime Minister in order to urge the Government to take the lead in concerted action by the Powers to bring to an end Japanese aggression in China by prohibiting loans to Japan, and laying an embargo on imports to and from Japan. The Prime Minister in reply could only assure them that the Government were watching the situation very closely. On February 15 the question was raised in the House of Lords by Lord Elibank, and Lord Plymouth replied that the Government were doing everything in their power to protect British interests in China, and had instructed their representatives to receive and file claims for compensation which would be presented in due course. In conjunction with the Governments of France and the United States they were working hard, and not without success, to prevent the disruption of the Chinese Customs organisation, and to ensure the maintenance of the service of the foreign obligations.

On February 2 the House of Commons, on a motion brought forward by a Labour member, recorded the opinion that the growing horror at the air bombardment of defenceless civilians should be expressed in an international agreement to co-operate in its prohibition. Mr. Eden informed the House that the Government aimed at getting a general international agreement relating to the

development of aerial warfare, particularly in relation to the bombing of civilian populations. The complexities of the matter were such that it was thought necessary to make a thorough survey before contemplating any initiative or approach to other Governments. Preparatory work for this end had been ordered some months before, and he hoped that the survey would be finished in the near future. Shortly afterwards (February 2) a widely and influentially signed appeal against the bombing of civilians in Spain was handed by Lord Cecil, the Bishop of London, and Sir Walter Layton to the Duke of Alba (the Nationalist Chief Agent in London) and the Spanish Ambassador, to be forwarded to General Franco and Señor Negrin, and the Prime Minister also promised to take steps to bring it to the attention of both parties in Spain. The British initiative was welcomed by the Spanish Government but was ignored by General Franco, and the succeeding months saw a great intensification of the bombing of civilians by his forces. The Government, however, did not allow this in any way to affect its policy of "non-intervention."

At the beginning of the session Sir T. Inskip informed the House of Commons that the amount of agricultural land bought for defence purposes in 1935, 1936, and 1937 respectively, was 6,724, 12,387, and 13,204 acres respectively. In deference to an influential body of public opinion the Government, at the beginning of the year, instructed the various Departments concerned to use every effort in order to cause the minimum of disturbance to other interests concerned. Parliament also on more than one occasion showed its concern that natural amenities should not be unduly interfered with. On February 15 a successful protest was made in the House of Lords against a proposal of the War Office to acquire compulsorily land for a tank gunnery range on a stretch of the south coast of Pembrokeshire, which was both naturally beautiful and contained good agricultural land; and on April 4 the House of Commons rejected for the third time a private Bill which would have authorised the manufacture by a private company of calcium carbide in a part of Inverness-shire renowned for its natural beauty, although the Government recommended the enterprise as useful for purposes of national defence.

The Accounts for the year, published on April 1, showed revenue to have amounted to 872,580,000*l.*, which was 9,480,000*l.* more than the estimate, and nearly 48,000,000*l.* more than the revenue in 1936-37. Expenditure amounted to 833,250,000*l.*, which was 27,600,000*l.* less than the estimate, and 16,000,000*l.* more than in 1936-37. There was thus a surplus of 39,330,000*l.* Income tax receipts at 298,000,000*l.* were nearly 10,000,000*l.* more than the estimate, miscellaneous receipts 2,510,000*l.* more, and Customs and Excise, at 335,261,000*l.*, 2,261,000*l.* more. On the other hand, receipts from stamp duty fell short of the estimate by nearly 5,000,000*l.* On the expenditure side the chief savings were

a reduction of 8,500,000*l.* for unemployment assistance and a saving of nearly 8,000,000*l.* on the provision of 224,000,000*l.* for interest and management of the National Debt. The amount borrowed for national defence purposes had been 64,867,000*l.*, out of a permissible maximum of 80,000,000*l.*

Great sympathy had naturally been felt in England with the Jewish and other victims of Nazi persecution in Austria, and on March 22 leave was sought in the House of Commons to introduce a Bill enabling the Government to relax the immigration restrictions for the benefit of refugees from that country. The Home Secretary, while indicating that there was a general desire to maintain British traditional policy in offering asylum to persons who had to leave their own country for political, racial, or religious reasons, pointed out that there were obvious objections to indiscriminate admission. Even in the professions the danger of overcrowding could not be overlooked, and in business and industry the social and economic difficulties must be taken into account. He added, however, that he was anxious that admission should not be refused to suitable applicants, and promised to consider each case on its merits. Leave to introduce the Bill was then refused by 210 votes to 142.

A few weeks later (April 12) Commander Locker-Lampson asked leave to introduce a Bill which would enable persecuted Jews in Austria and elsewhere to become subjects of Palestine if they so wished, and so obtain the protection of the Mandate. The motion was opposed partly on the ground that it might create jealousy, partly on account of legal difficulties. The question aroused great interest in the House, and the division resulted in a tie, 144 members voting both for and against leave being given to introduce the Bill. The Speaker thereupon gave his casting vote in favour, in order that there might be an opportunity for further discussion of the measure.

## CHAPTER II.

### THE ANGLO-ITALIAN AGREEMENT.

THE negotiations at Rome between Lord Perth and Count Ciano, which had been commenced in the middle of March, proceeded without a hitch, and on April 15 were brought to a successful termination by an agreement—of a kind—which was signed the next day. The peculiarity of the agreement was that it was not definite but conditional—it was to come into effect only when a settlement had been reached in Spain; and this settlement again was made contingent—though to what extent was not precisely expressed—on the withdrawal of the Italians from Spain. It was stipulated that this withdrawal should take place

either when the British formula for the evacuation of volunteers from both sides was put into effect, or when the war was over, if this should happen first ; at the time this seemed far the likelier contingency. In view of Signor Mussolini's known aims and ambitions, there was room for doubt whether in either case he would carry out his undertaking ; but it might readily be granted that if he did, the agreement was really calculated, as the Protocol remarked, " to put the relations of the two countries on a solid and lasting basis, and to contribute to the general cause of peace and security." Great Britain removed Italy's chief grievance by promising to raise the question of recognising Italian Ethiopia at Geneva—in fact, she had already, on April 11, requested the Secretary-General of the League of Nations Council to place on the agenda for the forthcoming meeting of the Council the item, " Consequences arising out of the existing situation in Ethiopia," with a view to securing liberty of action for recognising the Italian conquest. Italy, on her side, allayed British apprehensions by undertaking to reduce her garrison in Libya to 30,000 men. For the rest, the Anglo-Italian Agreement of January, 1937, on the maintenance of the *status quo* in the Western Mediterranean was reaffirmed, and a number of matters at issue between the two countries in the Eastern Mediterranean, such as the cessation of anti-British propaganda and the guaranteeing of British rights in connection with Lake Tsana, were satisfactorily settled.

Parliament reassembled on April 26 and the Chancellor of the Exchequer immediately made his Budget statement for the ensuing year. Surveying first the past year, he said that the excess of 14,500,000*l.* produced by Customs and Excise over the revenue for 1936-37 bore witness to the improvement in trade and industry which had characterised the past year as a whole. The surplus was due principally to beer and tobacco, especially tobacco. The duties on beef and veal, and also those under the Ottawa Agreement, had also yielded appreciably more. The high income tax yield also bore witness to briskness of trade, though the decline in Stamp Duties showed that the Stock Exchange had not been flourishing. On the expenditure side the saving on the National Debt charge was due chiefly to the abnormally low rate of interest on Treasury bills, which had sunk to the record low average level of 1*l.* 2*d.* per cent.

In estimating the expenditure for the coming year, the Chancellor allowed 230,000,000*l.* for debt charge, in place of the usual 224,000,000*l.*, so as to make provision for the interest accruing on saving certificates. The Supply Services, as already announced, required 692,298,000*l.*, made up of 253,250,000*l.* for the three Defence Services, and 439,000,000*l.* for the Civil Vote. The former figure was 55,000,000*l.* higher than the corresponding Budget Estimate of the previous year, and the latter 20,000,000*l.* higher, an increase which the Chancellor did not stop to explain,

except to say that it included 3,500,000*l.* for air-raid precautions. Allowing for supplementary estimates, the Chancellor computed his expenditure for the year at 944,000,000*l.*, which did not include 90,000,000*l.* to be raised by borrowing under the Defence Loan Act of the previous year, or the self-balancing items of the Post Office and Broadcasting.

To meet this expenditure, the Chancellor calculated that on the existing basis Customs and Excise would yield him 336,000,000*l.*, or one million more than last year, and income tax 319,000,000*l.*, or 21,000,000*l.* more than the actual receipts of 1937. Part of this increase he computed to derive from a number of new measures for combating tax evasion, which he outlined to the House. Surtax he put at 62,000,000*l.*, or 5,000,000*l.* more than in the previous year, and death duties at 88,000,000*l.*, or one million less. Stamp duties he put at 24,000,000*l.*, and the National Defence contributions at 20,000,000*l.* Altogether, with various other items, he calculated on obtaining 914,400,000*l.* on the existing basis, leaving a gap of close on 30,000,000*l.* It would have been possible for him to meet this deficit by borrowing, without asking for fresh powers. This course, however, he regarded as imprudent, in view of the fact that expenditure on armaments had not yet reached its peak, and the 1,500,000,000*l.* allowed for that purpose would probably be exceeded by a substantial amount. He therefore preferred to resort to increases of taxation, both direct and indirect. The standard rate of income tax, which already stood at 5*s.* in the pound, was raised to 5*s.* 6*d.*; the increase, however, was so regulated as not to affect industrial undertakings and smaller incomes. This was reckoned to produce 22,250,000*l.* in the current year, and 26,500,000*l.* in a full year. In the field of indirect taxation there was an increase in the petrol tax from 8*d.* to 9*d.*, which would yield 5,000,000*l.*, and of 2*d.* per pound on tea, which would give him about 3,000,000*l.* Altogether, therefore, his revenue would amount to 944,398,000*l.*, which would leave him a small surplus of 352,000*l.*

Having come prepared to accept fresh burdens, the House heard the Chancellor's proposals with resignation. Sir A. Sinclair described the Budget as "austere and honest," and, in the debate on the Budget resolutions, criticism was directed more against the policy which made such a huge expenditure necessary than the means taken to meet it. In replying to the debate, the Chancellor of the Exchequer pointed out that the real excess of expenditure over revenue would be not 30,000,000*l.* but 120,000,000*l.*, which fully justified the resolve to raise more by taxation. In reply to a complaint that the wealthier classes were being let off lightly, he pointed out that 26,500,000*l.* of new taxation would be raised from 3,500,000 income tax payers, and of these the 100,000 surtax payers would contribute 12,000,000*l.* He announced his intention of stamping the more recondite methods of tax evasion

as "not being respectable," and in conclusion observed that with all its stiffness the Budget had not shocked or frightened anybody, and that its reception showed the resolute determination of the country to meet its obligations.

In the course of his Budget statement the Chancellor revealed the fact that expenditure for defence purposes was not being confined entirely to armaments. The Government had long been considering the question of building up food reserves to be available in the event of war, and early in 1937 had created a special department to deal with the problem. In a debate on the subject in the House of Commons on February 9, members of the Opposition had expressed disappointment with the slow progress which was apparently being made, and a guarded statement from Sir T. Inskip had failed to satisfy them. The House was therefore agreeably surprised to hear now from the Chancellor that the Government—acting naturally with great secrecy in order not to send up the price—had recently bought large quantities of wheat, whale oil for margarine, and sugar, sufficient to ensure that the stocks in the country should be maintained at a level sufficient for the needs of the civil population during the early months of an emergency.

Immediately afterwards (April 26) a Bill (the Essential Commodities Reserves Bill) was presented to Parliament for the purpose both of legalising retrospectively the action just taken by the Government and of facilitating similar action in the future. With this object in view the Board of Trade was to be given powers to acquire information from traders, to make outlays for the acquisition and storage of foodstuffs, and to obtain advances from the Treasury for the purpose. In fact, the Bill gave the Board of Trade a certain standing as a Defence Ministry, occupying, in relation to food supplies, a position similar to that occupied by the Home Office in respect of air-raid precautions. The term "essential commodity" was given a very wide definition, covering any commodity which might be required as food for man, forage for animals, or fertiliser for land, or any raw material from which such commodity could be produced.

On April 28 the Food (Defence Plans) Department of the Board of Trade issued a report explaining in general outline some of the preparations that were being made for feeding the nation in time of war. The report stated that stocks of commodities would in emergency be requisitioned and then issued under control through normal channels. Food supplies from overseas would be bought through a single organisation, imports on private account being prohibited; this, it was thought, would help to stabilise prices at a level suited to both consumers and producers. Authority over the whole system of control would be vested in a Food Controller, under whom, in charge of each commodity, would be a Director of Supplies, assisted by a committee of experts. Local

food control committees would be instituted, and the private consumer would obtain foodstuffs by means of ration cards as in the Great War. The machinery of control, as far as possible, would be operated by the food traders themselves.

The discussions between the representatives of the Government and the Government of Eire were brought to a successful termination on April 22, and two days later Mr. de Valera and his colleagues came to London to sign the necessary documents. The settlement was embodied in three agreements—which were to be subject to Parliamentary confirmation—one for each of the matters—other than partition—embraced by the negotiations. The first dealt with defence ; it abolished the provisions of the Treaty of 1921, by which the defence of Ireland was entrusted to the Imperial forces, and stipulated that by the end of the year the United Kingdom Government would transfer to the Government of Eire its harbour defences in Ireland. The second agreement provided that by the end of November the Government of Eire should pay the sum of 10,000,000*l.* as a final settlement of all financial claims of either of the two Governments against the other arising out of matters occurring before the date of the agreement. It also provided for the abolition of the special duties imposed by the United Kingdom Government in 1932 in retaliation for the withholding of the annuities, and of the Customs duties imposed by the Irish Government. The third agreement constituted a comprehensive trade treaty between the two countries. It provided, broadly speaking, for the admission of goods from Eire free of Customs duties other than revenue duties into the United Kingdom market, subject to certain quantitative regulations with regard to agricultural imports, and for a corresponding lightening of duties on British imports into Eire. This agreement was to remain in force for three years.

In asking the House of Commons to confirm the agreements on May 5, Mr. Chamberlain confessed that those on defence and finance did not on the face of them constitute a good bargain for Great Britain, because both made very large and impressive concessions to Eire without apparently any corresponding advantage. Apart from an annual sum of 250,000*l.* still payable by Eire in respect of damage to British property, the British claims against that Government amounted, if capitalised, to over 100,000,000*l.*, and the special duties they had imposed to recoup themselves for the sums which in their view were being wrongfully withheld amounted to over 4,000,000*l.* yearly. To wipe out all this for a lump sum of 10,000,000*l.* was certainly generous treatment. Nevertheless he thought the Government were right to end the dispute even at that price. The continued exaction of the duties was impoverishing Eire and reducing its potential value as a customer of England, and when all was said and done they were dealing, not with a foreign country, but with a partner

in the Empire, with whom therefore they should deal rather on terms of partnership than of competitorship. Similarly the agreement on defence had been made not without a great deal of misgiving ; but it had been held that the sacrifice on England's part was worth while in order to secure a friendly Ireland, and Ireland would not be friendly so long as some of her territory was in British hands. Mr. de Valera too had given a pledge that the Eire Government would not permit Irish territory to be used as a base by any foreign Power for an attack on England, and that the ports would be put into a proper state of defence.

The great majority of the House were at one with Mr. Chamberlain in thinking that the agreements would indeed inaugurate an era of more friendly and happier relations between England and Southern Ireland ; and the Conservative Party, so long the determined opponents of any concessions to Ireland, were now of opinion that the sacrifices England was called upon to make were indeed worth while, and that it was time to bury the hatchet. The one speaker who took a pessimistic view was Mr. Winston Churchill, the very man who, fifteen years before, as Mr. Amery now reminded him, had pressed the Irish Treaty on the House with arguments similar to those now used by Mr. Chamberlain. The second reading was in the end agreed to without a division.

Before Mr. Chamberlain could go any further with his policy of " appeasement " in international affairs, it was necessary for him to determine how it could be fitted in with that close co-operation with France which for some time past had been the basis of Britain's foreign policy, and which had been confirmed only a few months before on the occasion of the visit of MM. Chautemps and Delbos to London. A need for revising Anglo-French relations arose on the one hand from the fact that in both countries there was now a new Government, each with a somewhat different outlook from that of its predecessor, on the other hand from the new situation created in Europe by the German seizure of Austria and the German threat to Czechoslovakia and Hungary. Accordingly Mr. Chamberlain invited the French Government to enter into conversations with him on the subject, and, in response, MM. Daladier and Bonnet, the French Prime Minister and Foreign Secretary, came over to London on April 27 for this purpose.

The conversations, which were conducted on the British side by Mr. Chamberlain and Lord Halifax, lasted two days, and were marked by the utmost cordiality throughout. They resulted in agreement being reached on Anglo-French co-operation in a number of fields, including Spain and Czechoslovakia, in regard to which the views of the two sides were far from being identical. France undertook to support Britain's request to the League of Nations to permit recognition of Italy's conquest of Abyssinia, and also Britain's plan for the Non-Intervention Committee in Spain. England on her side gave to France what were considered



to be satisfactory assurances in the matter of Czechoslovakia. Added force was given to these assurances by arrangements to strengthen the military co-operation between the two countries, though at the same time it was emphasised that these were purely defensive and contained no threat to any other country. Both countries undertook to use their influence with the Czechoslovakian Government in order to secure fair treatment for the Sudeten Germans and so bring about a *détente* between Czechoslovakia and Germany.

On May 2 the Prime Minister asked the House of Commons to approve the Anglo-Italian Agreement of April 16. The agreement, he said, had been designed to cover comprehensively the whole ground of relations between Britain and Italy, in certain areas of the world, and paved the way for their future co-operation and understanding in those areas where their interests were found to be parallel. The areas in question were the Mediterranean, the North-east corner of Africa, and the Middle East. It was, he said, the first-fruits of the Government's policy of trying to remove the danger spots in Europe by the application of goodwill and common sense to problems which arose, as they believed, very largely out of want of trust and confidence. To accomplish this it had been necessary for them to face certain unpalatable facts; it was on their willingness to do this that the chief difference lay between them and the other side of the House. For this reason the Government were prepared to take certain steps which might, and probably would lead eventually to their recognition of the Italian conquest of Abyssinia, a step which, he added, could be morally justified only if it were shown to be an essential feature of a general appeasement. Mr. Chamberlain further stated that a settlement in Spain was another requisite for a general appeasement, but when asked by Mr. Attlee what sort of settlement he had in mind, he refused to give any answer.

The Labour Party's objections to the Treaty were summed up in an amendment condemning it as being made with a State actively engaged in wanton aggression in Spain, as sacrificing the people of Abyssinia in exchange for illusory promises, as being contrary to the spirit of the Covenant of the League of Nations, and as being calculated not to bring general appeasement but to intensify the danger of world war. Mr. Morrison, who moved the amendment, characterised the Spanish provision as a positive incitement to Germany and Italy to make Franco win quickly; it gave official recognition of Italian intervention in Spain and almost approval of it, and, along with the Abyssinian deal, made the agreement a shameful piece of work. A similar line was taken by Sir A. Sinclair on behalf of the Liberal Party, and by Mr. Lloyd George. From the Ministerialist side no voice of protest was raised against the agreement, and Mr. Amery and

others welcomed the restoration of Anglo-Italian friendship which it foreshadowed. Neither were the Opposition entirely blind to this advantage, and the motion was carried by 316 votes to 108.

On May 10 Lord Halifax at Geneva formally brought to the notice of the League of Nations Council the Anglo-Italian Agreement, which he commended as being of value not only to the signatories, but to all States which were interested in the peace and security of the Mediterranean—a view which found general approval. On May 12 he made the expected British declaration asking the League to admit the right of each member State to decide for itself whether to recognise the Italian conquest of Abyssinia. He stated once more that the British Government had no desire to condone the Italian action in Abyssinia or to ask the League to rescind any of its acts. Nevertheless, he would not admit that action designed to facilitate the recognition of the conquest was to be deplored on principle; the indefinite maintenance of principle without regard to circumstances might merely increase discord and friction. Two ideals were here in conflict, and the stronger claim was that of peace.

Lord Halifax, at Geneva, also warmly defended the refusal of Great Britain to abandon the Non-Intervention Agreement in regard to Spain. He admitted that the agreement had not realised its professed object of preventing foreign intervention in the Spanish conflict, but he maintained that in its first and primary aim—the maintenance of European peace—it had been wholly successful; for this reason, he said, the Government remained convinced that non-intervention was not only the best but the only practical policy, and they intended to persevere with it. Lord Halifax's remarks were subjected on the next day to some scathing criticism by Señor del Vayo, the Spanish delegate, but he refused in any way to modify his statement of policy.

The proposed recognition of the Italian conquest of Abyssinia was the main subject of a long debate in the House of Lords on May 18. Most of the speakers were agreed that such a step would involve a humiliation for Great Britain and a sacrifice of moral principle, but opinions were sharply divided on the question whether this would be compensated by the contribution which it would make to European appeasement. The Archbishop of Canterbury, after carefully weighing both considerations in the balance, finally decided in favour of the Government's policy, though not without misgiving; and he salved his conscience with the pious hope that some means might be found of restoring the ex-Emperor of Abyssinia to a part of his domains. The Bishop of Durham, on the other hand, condemned unequivocally the Government's opportunism, maintaining that the appeasement obtained by it was bound in the end to prove delusive and unsatisfactory; and a similar view was taken by Lord Snell and Lord Cecil. Lord Halifax, in replying to the debate, took the

line that for the sake of peace practically any sacrifice was worth making, and commended the Anglo-Italian Agreement as not only being a contribution to peace in itself, but as paving the way for a general appeasement. This was the view of the great majority of the House, which—apparently in all good faith—assented to a resolution, moved by Lord Brocket, recognising both the agreement with Italy and the policy of non-intervention in Spain as “making substantial contributions to the peace of the world without any sacrifice of democratic principles.”

Meanwhile the agitation in the country for allowing arms to be supplied to the Spanish Government continued unabated. It reached its climax in a conference held on April 23 at Queen’s Hall, attended by 1,800 delegates and claiming to represent 10 million people, at which the non-intervention policy as practised by the Government was vigorously denounced. The bulk of the delegates naturally came from the Labour and Liberal parties, but there was also a sprinkling of Conservatives among them. Prominent among these was the Duchess of Atholl, who for some time had been an outspoken champion of the Spanish Government, and who soon afterwards refused the Ministerialist Whip as a protest against the Government’s Spanish policy.

It was natural that co-operation in this field should suggest the idea of a “Popular Front” uniting all the progressive forces in the nation and strong enough to overthrow the Chamberlain Government; and proposals to this effect had in fact been made officially by more than one local Labour association. The idea also had the support of one or two members of the party headquarters, who recognised that Labour had little chance of securing a clear majority at the next General Election. Such a course, too, seemed to be dictated by Labour’s own pronouncements. The Labour Party had for some time been denouncing Mr. Chamberlain’s foreign policy, and particularly his attitude towards Spain, as fraught with the gravest danger to the cause of democracy and the position of the workers in England, and had been preaching the supreme importance of driving him out of office at all costs. Nevertheless, when it came to the point, the bulk of the leaders recoiled from the idea of co-operating with other parties and sections for this end. They even endeavoured to nip the agitation in the bud. On April 13 the National Executive of the party issued a manifesto to its affiliated organisations, reminding them of previous decisions of the party condemning such activities and calling upon them to continue to abstain from such movements. Ever since 1931, the manifesto declared, it had been the avowed aim of successive National Executive Committees to work strenuously and without ceasing to secure a Labour Government with a majority in Parliament, and adequate support in the constituencies; and it was the firm and unshaken belief of the Executive that with the exercise of disciplined loyalty,

thorough organisation and widespread propaganda, the capture of power could be achieved. In consequence of this declaration, Mr. Attlee and Mr. Elvin did not attend the conference on Spain on April 23, as they had originally intended.

The issue of this manifesto gave a great shock to the advocates of the "Popular Front." To many of them it seemed to strike a severe blow at democracy in England by ensuring a Tory administration for many years to come. They refused to accept it tamely, nor did they give up hope of bringing the Labour Executive round to a more reasonable frame of mind. The Co-operative Party at its conference on April 17 considered proposals for a united peace alliance, and instructed its National Committee to approach the Labour Party to discuss ways and means of replacing the present Government at the earliest possible moment. The Independent Labour Party at the same time instructed its National Administrative Council to approach the Labour Party Executive with the object of securing the maximum common action against the National Government and the capitalist parties. The National Union of Shop Assistants and the South Wales Miners' Federation also declared themselves in favour of a "Popular Front." The Labour Party, however, refused to budge. On April 26 the National Council of Labour, the body co-ordinating the policies of the Trades Union Congress, the Labour Party, and the Parliamentary Labour Party, affirming that the Labour Party must jealously guard its independence, gave full support to the declaration of the Labour Party on loyalty and its refusal to entertain any suggestion of a united front.

The conferences of various left-wing bodies held during the Easter recess seemed to have lent new force to the agitation, and the Labour Party's Executive, which no doubt thought that it had settled the question once for all by its declarations of April 13 and 26, found itself compelled to consider the matter afresh. On May 13 it issued a manifesto which once more proclaimed hostility to the idea of a united front, but in a less uncompromising fashion than before. It now went so far as to admit that circumstances might arise—such as, for instance, an internal crisis in the Conservative Party—which might make a union of progressive forces worth while, but in present conditions the paramount consideration was to preserve the cohesion and enthusiasm of the Labour Party.

Shortly before this a vacancy had occurred in the constituency of Mid Bucks. At the previous election there had been three candidates, and the Conservative had beaten the Liberal by about 3,000 votes, while the Labour candidate had forfeited his deposit. In spite of this the Labour headquarters decided to contest the seat on this occasion also, paying no heed to vigorous Labour protests both within and without the constituency. The result seemed to indicate that they were not so far out in

their judgment as their critics had assumed. The Conservative candidate again held the seat with a majority over both the others combined ; but while the Liberal vote fell by 2,000, the Labour vote rose by over 3,000, a clear proof in the eyes of the opponents of the " Popular Front " that an alliance with the Liberals was not worth while. One or two more by-elections produced a similar result, and the agitation died down for the time being.

While in the country the Labour and Liberal parties found themselves unable to unite on a common platform, in Parliament they managed to co-operate actively and with good effect in harrying the Government over the alleged shortcomings of the Air Ministry. For months past they had been clamouring loudly for an inquiry into the activities of this Department, and a new impetus was given to the agitation by the announcement of the departure on April 20 of a deputation for America to inspect aircraft factories in the United States. It was assumed that one task at least of the deputation would be to arrange for purchases in the States of military aeroplanes ; and the question was asked why this should be necessary when aircraft factories in England were working much under full capacity and many workers in the industry were out of employment. On April 26, when questioned on the matter in the House of Commons, Lord Winterton stated that the mission was charged with exploratory inquiries only, but his words did not carry conviction to the House. That the Government was not insensible to the criticism was shown by the fact that immediately afterwards it authorised a further increase in the strength of the Royal Air Force and certain measures of acceleration and expansion in the aircraft industry to supply the additional equipment.

The efforts of the Government could not prevent the question of Air Force organisation from being raised in both Houses of Parliament on May 12—by Lord Snell in the House of Lords, and Sir Hugh Seely, a Liberal member, in the House of Commons. In the Upper House, Lord Swinton, in reply, dwelt on the enormous expansion which had in fact taken place in the Air Force in the last two or three years, and gave details of the new plan of the Government which would bring the number of first-line aeroplanes up to over three thousand in a couple of years' time. In the Lower House, Lord Winterton similarly glossed over the mistakes of the past and stoutly maintained that the Air Ministry was now doing its job efficiently. Neither Minister succeeded in satisfying his audience. What members chiefly wanted to know was whether England was likely in the near future to have parity with Germany in air strength, and the impression they received from the Government speeches was that this was extremely unlikely, partly because the Air Ministry did not properly grasp the problem, partly because its methods were inefficient. At the end of the debate in the House of Commons, Mr. Greenwood

announced that the Labour Party would ask for a searching inquiry into the administration of the Department, and this demand was supported by the Liberal Party and a group of Conservatives led by Mr. Churchill.

Immediately after the debate, Lord Swinton, although he had not been directly criticised, placed his resignation—not for the first time—in the hands of the Prime Minister, stating that he could now be dispensed with all the more easily as preparations had been made for coping with the enlarged programme of the Air Ministry. Precisely at this juncture a reconstitution of the Government became imperative for quite another reason. Mr. Ormsby-Gore had just succeeded to a peerage (becoming Lord Harlech), so that there were now eight peers in the Cabinet. This number was considered excessive—in fact, even seven had been unusually large—and as Lord Harlech was supposed not to be anxious to retain office, the Prime Minister was able to accept both his resignation and that of Lord Swinton on the ground that he desired to replace them with commoners, and without implying any loss of confidence in them. His choice for Air Minister fell rather unexpectedly on Sir Kingsley Wood, who had gained a reputation for organising ability both at the Post Office and the Ministry of Health. Sir K. Wood was succeeded at the Ministry of Health by Mr. Walter Elliott, Lt.-Col. John Colville becoming Secretary of State for Scotland in the latter's place. Lord Harlech was replaced at the Colonial Office by Mr. Malcolm MacDonald, Lord Stanley, a brother of Mr. Oliver Stanley, becoming Secretary of State for the Dominions. Lord Winterton, while remaining in the Cabinet, ceased to represent the Air Ministry in the House of Commons.

As an alternative method of coping with the alleged muddle and chaos in the Air Ministry, Lord Mottistone proposed in the House of Lords on May 23 that a Ministry should be established for the three Defence Services. He recalled that this method, and this only, had put the country in a position to deal with the problem of supply in the war, and that it had enabled them before the end of the war to produce aeroplanes at the rate of 2,500 a month. Lord Mottistone was supported by Lord Trenchard, former head of the Air Force, and Lord Addison. The Marquess of Zetland, who replied for the Government, declared that the preparations for greatly increasing the output of aeroplanes were in a far more advanced state than the critics of the Government seemed to be aware, and maintained that a Ministry of Supply could add nothing to the efficiency of the Air Ministry's work unless it was allowed to exercise a control over labour which was hardly contemplated by those who made the proposal. The motion was in the end rejected by 54 votes to 12.

The changes in the Air Ministry were taken by Mr. Churchill as an admission by the Government that in fact all had not been

well at that Department, and on this ground—and also in order not to hamper the new Minister—he withdrew his demand for an inquiry. The Labour Party, however—and the Liberals with them—took the view that the case for an inquiry was now stronger than ever, and on May 25 Mr. Dalton in the House of Commons brought forward a motion to that effect. He explained that the questions which he desired to see considered were first, the whole problem of aircraft production, secondly, the internal organisation of the Air Ministry, thirdly, the problem of air defence, and fourthly, air-raid precautions. The Labour Party, he said, had for some time been collecting evidence on these subjects which they thought very disquieting, and which they would like to lay before a Committee of Inquiry, not in order to hinder the Government but to assist it in finding a remedy. He ended by supporting the proposal made shortly before in the House of Lords for a Ministry of Supply.

The Prime Minister, in reply, rejected both suggestions. He admitted that there had been delays and disappointments and checks in the execution of their programme, but he was confident that everything was now on the way to being put right, and that a Committee of Inquiry would only get in the way of the new Minister. As for a Ministry of Supply, he maintained that it could not improve on the present system unless it were armed with powers over labour and industry which the Government would not be justified in asking for in time of peace. Both Sir A. Sinclair and Mr. Churchill found his rejection of a Ministry of Supply unconvincing, as did a considerable body of Ministerialists. The Government had, however, in spite of Labour disclaimers, chosen to treat the motion as one of censure, and in the voting accordingly obtained its usual majority, the figures being 329 against to 144 for.

When this debate took place, the Government had not yet secured the co-operation of the workers in the task of accelerating the work of rearmament. The National Federation of Building Trade Operatives, it is true, on April 13 assured the Government of its continued desire to assist. But the Amalgamated Engineers' Union, which held the key position in the rearmament scheme, showed itself in no hurry to come to a decision. It was in this Union that sympathy with Republican Spain was particularly strong, and its attitude gave reason to fear that, to say the least, it would not enter into the work with the zest which the Government desired.

Anxious as it was for the workers' co-operation the Government appealed to the General Council of the Trade Unions to use its influence with them; but this body before responding took the opportunity to give the Government a piece of its mind regarding the conduct of foreign affairs. On May 26 a deputation from the Council interviewed the Prime Minister, and its spokes-

man, Sir W. Citrine, made a long statement exposing the misgivings of himself and his colleagues at the trend of foreign policy. In particular he expressed disapproval of the Anglo-Italian Agreement and the policy of non-intervention as interpreted by the Government, and charged the Prime Minister with having leanings towards Fascism. Mr. Chamberlain, in reply, assured the deputation that he put his trust in the democratic institutions of the country and the personal freedom of the citizens, and in defence of non-intervention he pointed to the dangers and evils which would be involved in any other policy.

After its rough passage in the House of Commons, the Coal Bill was subjected to even severer buffeting in the House of Lords, several members of which were large coal-owners and so personally interested in its provisions. In a three days' debate on the second reading (May 3-5), a number of royalty owners expressed their sense of grievance at the first part of the Bill. The Archbishop of Canterbury stated that the Ecclesiastical Commissioners would be losing about 120,000*l.* a year, and would consequently be unable to increase the stipends of the poorer clergy. Nevertheless he did not oppose the Bill, recognising that the tribunal had been thoroughly impartial and that the Government were bringing in the Bill in the public interest. The other royalty owners were not so public-spirited and did their best to wreck the Bill. Support for the Government, however, was forthcoming from the Opposition parties, and the second reading was duly carried.

In the Committee stage of the Bill, a determined effort was made by the royalty owners to obtain better terms for themselves. The lead was taken by Lord Hastings, who moved the omission of Part I on the ground that it introduced an evil principle into legislation. In the course of the discussion, however, it became clear that the royalty owners would be willing to swallow their objection to the principle if they could extract a higher measure of compensation. They maintained that the figure of 4,300,000*l.* annual income on which the purchase price was based was too low, or alternatively that the term of fifteen years' purchase was too small, and they called in question the competence of the Committee which had fixed these figures. They were greatly irritated when the Lord Chancellor pointed out, with all courtesy, that in this matter their judgment was likely to be warped by their personal interests. The Government refused to consider any alterations in the compensation figures, although even Lord Addison, a Labour Peer, had admitted that the royalty owners were getting "a bit of a raw deal," and in order not to give too much provocation to public opinion in the country, Lord Hastings did not press his amendment to omit Part I to a division. The recalcitrant Peers did, however, pass an amendment in the teeth of the Government providing that valuation must be completed



and compensation paid to royalty owners before the vesting date, even if it had to be postponed for the purpose, and secured other concessions which altered the Bill considerably in favour of the coal-owners. With these changes the third reading was carried on June 28.

When the Lords' amendments to the Coal Bill—numbering altogether 177—were considered by the Lower House on July 6, Mr. Stanley advised that all those which had been carried in the teeth of the Government should be rejected, and the rest accepted. The Lords found very few defenders, and this course was adopted—not without protests from the Labour Party, which would have liked to deal with the amendments much more drastically. The Lords, in spite of their bluster—they had used language reminiscent of the debates on the Parliament Bill in 1910—forbore to continue the struggle, and, claiming that they had after all improved the Bill materially, accepted it in its latest form on July 14.

On May 16 the Ministry of Transport published a report prepared by Sir Charles Bressey, its Principal Technical Officer, in conjunction with Sir Edwin Lutyens, the distinguished architect, on the traffic needs of Greater London. As a result of more than three years' study, Sir Charles had drawn up a thirty-year plan of highway development of which the main feature was a triple ring of circular roads round London to divert traffic from the central area. New routes of a total length of 818 miles were suggested, 123 miles being in the London County Council area, while of the remainder 307 miles consisted of special parkways or motor-ways. A new east-west arterial road was to be constructed to join the Western Avenue at Hammersmith and the Eastern Avenue at Leytonstone. A new north-south road was also planned, running over a considerable portion of its length on a viaduct alongside the Southern Railway. Other features of the plan were tunnels under Hyde Park and elsewhere, an extension of the Embankment, a City loopway, the reshaping of Hyde Park Corner and new approaches to the docks. New highways radiating from London to Brighton, Birmingham, Norwich, and in other directions were also planned. The scheme aroused widespread public interest, and the first edition of the report, of about 2,000 copies, was sold out in a few weeks.

In the discussion of the Ministry of Transport Vote on June 17, Mr. Burgin stated that some 800,000 drivers had now passed the driving test—out of a total of nearly 4,000,000—the proportion of failures being 37 per cent. Under the five-year road programme initiated in 1935, work to cost 93,500,000*l.* had been approved, and 23,000,000*l.* had been spent up to the end of May, while 34,000,000*l.* would have been spent by the end of the financial year. Naturally such vast expenditure could not be completed in five years; the intention was only that it should be initiated

in that period, and the rate of progress depended on the highway authorities themselves. Since the Ministry of Transport made itself responsible for the 4,500 miles of trunk roads fifteen months before, they had made a survey which showed that on three-quarters of the mileage of the trunk system no serious deviation from the existing lines seemed to be necessary. With regard to new construction, they had visualised a standard in which all traffic should be segregated not only in regard to the direction in which it was travelling but also as to its character and speed, dual carriage-ways, footpaths and cycle tracks. Referring to the Bressey report, he said that the thirty-year plan contained in it might cost from 160,000,000*l.* to 230,000,000*l.* While much of the plan was beyond immediate realisation, he urged the authorities concerned to take it as a guide for development, and stated that the Ministry, in conjunction with the London County Council, had agreed on certain schemes as a first instalment.

On May 24 the President of the Board of Trade gave the usual annual survey of the economic situation. Since the beginning of the year, he said, there had been less of the "slump talk" which was giving the Government so much concern in the latter half of 1937, but the actual course of events had to a certain extent justified the pessimists. While industrial production for the first quarter of the year still compared quite favourably with that of the corresponding period of the previous year, the trade expansion which had been so marked in the first half of 1937 had almost come to a standstill. The reason was that there had been a sharp fall in commodity prices; and for this again there were two main reasons—the war between China and Japan, and the industrial recession in the United States. The most disturbing feature in the situation was that, in spite of the fall in commodity prices, the adverse balance in the first three months of the year had increased. It was noteworthy that the whole of this increase had taken place in the trade with the United States; and this fact rendered the trade negotiations with that country which had begun in Washington in February particularly difficult, and partly accounted for the fact that they were taking longer than had been expected (*vide* ANNUAL REGISTER, 1937, p. 96).

In the discussion of the Board of Trade Vote on June 15, questions were asked about the progress of the Anglo-American trade negotiations and the Van Zeeland Report. Mr. Stanley, in reply, said that the negotiations could undoubtedly be shortened by one side or the other not pressing claims thought to be fair or not resisting claims regarded as unfair; they were not prepared to adopt that method, and nobody would expect the United States to do so. With regard to the Van Zeeland Report, the Minister agreed that economic appeasement would be a valuable aid to peace and prosperity, but the method proposed in the report was not likely to succeed at the present moment, in view of the

increase of political tension in Europe during the last few months. This was not a moment when the Government could press forward such a plan, however acceptable much of it might be.

On the question of inter-Imperial trade, some useful light was thrown by a White Paper, published on July 20, setting forth the conclusions arrived at by an Australian delegation which had come to England on April 29 to discuss with the Government the possibility of tariff adjustments between the two countries. While the discussions had cleared the air on various points, their results on the economic side were purely negative. The Australian Ministers recognised the necessity for the United Kingdom to safeguard and develop her own agriculture, her position as a great international trader, investor, and shipowner, and the upward limit which these facts imposed on the extent to which increased opportunities could be given to Dominion producers in the United Kingdom market. On their side the United Kingdom Ministers recognised that in the interests of both countries and of the Empire as a whole it was desirable that there should be a substantial increase in the population of Australia, and this could not be achieved solely by an expansion of Australian primary economy industries, and that therefore such expansion should be combined with the sound and progressive development of Australian secondary industries.

On May 30 Sir T. Inskip reported to the House of Commons that generally speaking there was an adequate flow of recruits to the various auxiliary services, though more were still needed. In the course of his remarks he used words which seemed to indicate that in the event of war there would be universal conscription. An alarm was immediately raised in quarters hostile to the Government, but Mr. Chamberlain speedily allayed it by explaining on the next day that what was meant was only that the fact of a man having enlisted for a certain service in peace time and having been trained for it did not necessarily imply that he would be exempted from compulsory military service of a different kind in case of war. The Premier also informed the House, in answer to questions, that a Draft Bill providing for compulsory military service on the outbreak of war had been in an advanced state of preparation since 1922, and had been the subject of consideration by successive Governments since that date. He assured the House, however, that any proposals for compulsory service would have to receive the assent of Parliament and to be based on the recommendations of the Government of the day. On the previous day a deputation of Conservative members had waited on him and had pressed him to take steps without delay to compile a Register of citizens to facilitate their allocation to particular services in the event of war. Even this, however, was further than the Prime Minister was prepared to go. He replied that the matter had received the attention of the Government, but that

at present the administrative disadvantages outweighed the advantages.

On June 1, in asking the House of Commons for a Vote of 5,693,000*l.* for Air-Raid Precautions, the Home Secretary gave the House some further details of the progress which had been made in putting the country in a position to go through an air-raid with the minimum of panic and injury. He stated that nearly half of the million volunteers for whom he had appealed two months before had been recruited, and announced that an intensive campaign would soon be started to obtain the rest. It appeared from his account that the Home Office—perhaps taught by the lessons of Spain—was giving rather less attention than it had done six months before to the danger from gas attack and more to the danger from high explosive bombs. For protection against this it was thought that dispersal of the population was the best policy, but at the same time urgent attention was being given to the provision of shelters in the right places. Apart from underground shelters in houses and other buildings—which they had found to be more numerous than they had expected—London had 8,261 acres of open spaces, and they calculated that in a considerably less area they could find accommodation for the people caught in the street or the people whose houses were not suitable. If the emergency arose, it was the intention of the Government to have trenches and dugouts made in these with the least possible delay. The preparations for dealing with fires and with gas attacks were also in a much more advanced state than they had been when he had spoken on the subject in the previous November (*vide* ANNUAL REGISTER, 1937, p. 89). Arrangements had also been made for providing hospital accommodation outside of London to which casualties could be taken, and also for providing invulnerable quarters for the Government. The Under-Secretary added to this account that a system had been worked out for conveying warnings with the utmost rapidity, and that the railway companies had declared their ability to evacuate 3,500,000 persons to a distance of 50 miles from London in 72 hours without dislocating essential traffic.

On June 2 the President of the Board of Trade moved the second reading of the Essential Commodities Reserves Bill which had been introduced just after the Budget statement (*vide* p. 31). He explained that the reason why the Government had restricted the powers of the Bill to the four types mentioned in it was because, whatever safeguards they might give, the knowledge that the Government had such powers was bound to be disturbing to the trade affected. He also stated that the wheat would be stored as far as possible in ports on the west coast, as inland storage would be too expensive. The Bill laid down that complete liquidation of the stocks accumulated under it could not take place without another Act of Parliament defining the

manner in which it was to be carried out. The Minister declared this to be a wise provision against dumping based on the experience of the last war, but it was one of the few points in the measure which came in for criticism. Otherwise the chief complaint against the Bill was that it had not been produced earlier.

On June 6, after the lapse of rather more than a year, the Government proceeded to the second instalment of its programme of defence borrowing by floating a loan of 80,000,000*l.* bearing the title of Three Per Cent. National Defence Loan 1954-58, issued at 98. This brought the total of such borrowing up to 180,000,000*l.*, which, it was estimated would cover for about a year the proportion of expenditure to be met from borrowed money. The money was on this occasion raised without difficulty.

The accord reached by Britain and France in the matter of Czechoslovakia (*vide* p. 33) was very soon put to the test. Hardly had it been concluded when Prague became the chief danger spot of Europe. The annexation of Austria by the Reich had encouraged the Sudeten Germans to press their claims for autonomy on the Czechoslovakian Government with an intransigence which boded ill for the internal peace of the country. That they relied upon receiving assistance from the German Government was well known; and the French and British Governments resolved to make representations both in Prague and in Berlin with a view to finding a peaceful solution of the problem. The nature of these representations was not disclosed; they did not prevent a state of extreme tension arising on the eve of the municipal elections which were to take place in Czechoslovakia on May 22. On May 20 rumours became current of German troop movements near the Czechoslovak frontier, and the British Minister in Berlin was instructed to make inquiries about them. Reassuring replies were given, and the elections on May 22 did in fact pass off without incident. The British Government continued to use its influence, as the Prime Minister informed the House of Commons on May 23, on the side of restraint in word and deed; it represented to the Czechoslovak Government the need of taking every precaution for avoidance of incidents, and of making every possible effort to reach a comprehensive and lasting settlement with the Sudeten Party, and to the German Government the urgent importance of reaching a settlement if European peace was to be preserved. In fact the tension eased somewhat in the course of the next week; both in England and abroad it was generally believed that this was largely due to representations made by the British Government at Berlin.

The pressure of Germany on Czechoslovakia led the Government to take a greater interest than before in the possibilities of strengthening British influence in South-east Europe. The first result of this activity was the conclusion—announced by the Prime Minister on May 27—of three agreements of an econ-

omic character with Turkey. By the first, the Exports Credits Guarantee Department was to give guarantees up to a total of 10,000,000*l.* in connexion with the export to Turkey of goods manufactured in the United Kingdom. The second supplemented the Anglo-Turkish Trade and Clearing Agreement of 1936, so as to improve the position of the Clearing ; while the third enabled Turkish orders for warships and other war material, for which credits could not be granted under the Export Guarantees Act, to be placed in Great Britain on credit terms guaranteed by the Government. The agreements were welcomed by the House of Commons both as strengthening British ties with an old ally and as a first step in extending British influence in the Balkans.

The firmness shown by the Government in dealing with the Czechoslovak problem came as an agreeable surprise to its critics in the Opposition and elsewhere, and rendered all the more strange its supineness in regard to Spain, though here the need for firmness seemed even more urgent. Treating with contempt the British protests against the bombing of Barcelona, the Spanish Insurgents in May carried out raids on Alicante and other places of no military importance, causing terrible suffering and loss of life among the civilian population. What was more, at the same time Insurgent aeroplanes—flown, it was thought, by Italian and German pilots—deliberately bombed several British merchant ships in Spanish Government harbours, although they were known to be carrying only legitimate cargoes, and also neutral observers. The Government made more protests, and hit upon the plan of inviting certain other Governments to join them in setting up a small independent commission which would go to the scene of any aerial bombardment and report whether there were any possible military objectives in the neighbourhood. The bombardments, however, went on as before, and the attacks on British ships became even more frequent and more obviously deliberate.

These outrages naturally caused a great public outcry, and strong representations were made to the Government by British shipping interests. On June 8, towards the end of the Whitsuntide recess, Lord Halifax began to consult with experts from the Admiralty and the Board of Trade and other Departments to see whether any means could be devised either of protecting British ships or of taking retaliatory measures. A general expectation was aroused that at last the Government would do something ; but once more it showed that its capacity for inactivity had not yet been plumbed. When Parliament met on June 14, Mr. Chamberlain made a long statement in which he admitted that since the middle of April, twenty-two British ships had been involved in air attacks on Spanish ports, and eleven of them had been sunk or seriously damaged—in some cases with loss of life—and that in several cases the attack seemed to have been deliberate. Nevertheless, apart from certain proposals

for safety zones and the establishment of a neutral port or ports, the Government proposed to do nothing. A most careful consideration of the possible steps that might be taken to protect British ships had shown that, unless the country was prepared to depart from the policy of non-intervention and take an active part in hostilities, effective protection could not be guaranteed to ships trading with ports in the war zone while they were in territorial waters. The Government, continued Mr. Chamberlain, were of opinion that they would not be justified in recommending a course which might well result in the spread of the Spanish War far beyond its present limits. They must therefore repeat the warning given last November that, while the Government would continue to protect British shipping on the high seas, ships entering ports liable to be the object of military operations and attack must do so at their own risk. Mr. Chamberlain concluded his statement—to the no small amusement of the Opposition—by warning the Burgos Government that a continuation of such attacks might seriously injure the friendly relations which they desired to maintain with the British Government.

Except to the determined supporters of General Franco in the House, the Prime Minister's defence of his inaction failed to carry conviction; and the Labour Party naturally refused to accept it as final. They renewed the attack a week later, on June 21, when Mr. Noel Baker moved a reduction of 100*l.* in the Foreign Office Vote. Mr. Baker criticised the Government on the broad ground that it was making no effort to maintain the rule of law in international affairs, and he included in his indictment its condoning of aggression in Abyssinia and in China, as well as in Spain. Dealing more particularly with the last-named country, he asked whether they were to admit the validity of blockade by bombing aircraft and the methods by which it was being established. The Government were in effect allowing three practices, all of which were contrary to international law—direct bombardment of the civil population, the indiscriminate bombardment of commercial ports which were not blockaded, and were distant from the battle front, and a direct attack on neutral ships engaged in non-contraband trade. It was absurd to say that the British Government could do nothing except protest; the truth was that the Premier was simply anxious to do nothing which would displease Signor Mussolini.

The Prime Minister, in his reply, fully accepted Mr. Noel Baker's views on international law, and was if anything even more emphatic in his condemnation of the breaches which were being committed both in China and in Spain. Nevertheless, when it came to the practical question of protecting British merchant ships, his acts and words again parted company. General Franco had no right to attack these ships, but there was no means of preventing him without adopting a policy which he believed

would be completely at variance with the true interests of Great Britain. Mr. Chamberlain considered in detail some of the steps proposed by Mr. Noel Baker—such as withdrawing their agent from Burgos and cutting off trade with insurgent Spain—and rejected them all. They would have to go on protesting and hope for the best. The one satisfactory solution would be the termination of the war, of which as yet there was little prospect.

Mr. Chamberlain's confession of impotence drew down on his head a crushing rebuke from Mr. Lloyd George. He described the Premier's speech as a pitiable declaration, and said that of all the Prime Ministers he had seen, he did not know one who would have made such a speech, nor did he know a House which would have tolerated it. The fact was that the Prime Minister had placed himself in a position where his own personal reputation was in conflict with the interests of the British Empire. The Ministerialists heard Mr. Lloyd George's reproaches in silence, but this did not prevent them from defeating the motion by 278 votes to 148.

General Franco's bombers lost no time in seizing on Mr. Chamberlain's virtual invitation to them to continue their operations, and on the same night sank two more British merchant ships in Valencia harbour. On June 23 the Prime Minister informed the House of Commons that he was asking the Burgos Government for an early explanation of these attacks, but gave no indication that he contemplated taking any further steps. Once more, therefore, Mr. Attlee moved the adjournment of the House to consider the matter. He now suggested that Majorca should be blockaded, and vehemently called upon the Government to take some active step. Mr. Chamberlain once more went through all the suggestions made by his critics, and dismissed them all as either being impracticable or likely to involve Britain in war. This plea was ridiculed by Opposition speakers, to whom Mr. Churchill now added his voice, but it still carried sufficient weight with the Ministerialists to procure the Government a majority of 134, in spite of the fact that a large number of Conservatives were feeling uneasy over the situation.

On June 30 Sir R. Hodgson, the British Agent at Burgos, returned to London to confer with the Government. On July 4 a reply was received from General Franco denying that British ships had been singled out for attack and suggesting that the port of Almeria might be accorded immunity from attack provided that guarantees were given as to the character of the merchandise brought there. After due consideration, the Government, on July 12, decided that this offer was unacceptable; nor would it admit that the attacks on some at least of the British ships sunk had not been deliberate. On the next day Mr. Chamberlain stated in the House of Commons that, while their policy of non-intervention precluded military action to give effective protection to



ships which risked trading with ports in the war zone, the Government were not prepared to acquiesce in the repetition of attacks of a certain character. At the same time he informed the House that it had been found impossible to form an international commission to report on bombing in Spain, but the Government proposed to send to France a Commission of two British nationals for the purpose in view.

Strong criticism of the Government's foreign policy at this juncture was contained in a statement issued on July 6 by the Archbishop of York and ten Bishops, along with other Church of England clergymen, professing to represent "a great multitude who had been rendered anxious about the moral basis of foreign policy and rearmament, as a result of the recent trend of events." Deploping the failure of States members of the League of Nations to stand by the principles which they professed at various critical points, the signatories affirmed that the supreme goal of foreign policy should be the establishment and maintenance of international law, in defence of which there was a clearer case for the use of armed force than for a war of the old type in defence of territorial possessions or economic interests. They were far from satisfied that that order of moral priority was universally accepted by their fellow citizens or by the Government. They urged the Government, not so much in defence of British interests as in defence of law, to take effectual action to check the bombing of British ships in Spain, and even to face considerable risk for that object. They recognised the paramount obligation of avoiding general war, if that could be done without gross betrayal of principle; but they contended that an even greater evil was involved in international anarchy which would, moreover, almost inevitably lead to a general war.

The ignominious failure of the Government to protect British interests in Spain was to some extent compensated by a show of genuine progress on the part of the Non-Intervention Committee. For some weeks, thanks to strenuous efforts on the part of Lord Plymouth, this body had displayed an unwonted activity. On April 25 it saved the limited naval control plan from foundering by means of an undertaking on the part of all its members, except Russia, to pay their arrears; and soon after it agreed upon a plan to tighten up the naval control to such a degree that, according to Mr. Butler, it would be impossible for any ship to enter a Spanish port without being observed. To crown all, it once more discussed the British plan for the evacuation of foreigners in earnest, in order to bring it into a shape which might be acceptable to all parties.

On July 5 the plan in its fifth, completely revised, form was submitted to the full Committee of twenty-six national representatives. It was recommended by Lord Halifax, who presided, in the absence of Lord Plymouth, as a scheme for reaffirming

and strengthening the Non-Intervention Agreement, for withdrawing foreign combatants from both sides, for granting in certain circumstances belligerent rights to both commands, and for strengthening the observation of Spanish frontiers by land and sea. The Russian representative at first demurred to what he considered a certain lack of balance between the land and the sea control, but this was speedily put right and the plan was then accepted unanimously. As a sign that they were in earnest, the representatives of Great Britain, France, Germany, and Italy handed to the Secretary cheques for 12,500*l.* each in order to enable the Non-Intervention Board to begin immediately the administrative preparations for putting the whole withdrawal scheme into effect.

On July 11 the complete British plan for withdrawing foreign combatants from Spain, already accepted by the Non-Intervention Committee, was published as a White Paper. It was a document running to eighty closely printed pages, in which the whole process of evacuation was worked out to the smallest detail. The first step was to obtain the consent of the two sides in Spain to furnish proper facilities to the agents of the Committee. Next, all the Governments represented on the Committee were to pass a resolution "reaffirming and extending the Non-Intervention Agreement, and providing for the withdrawal of foreign volunteers from Spain, for the grant in certain circumstances of belligerent rights to both sides, and for the observation of the Spanish frontiers by land and sea." Five days after the passing of the resolution, the Commissions would be in Spain. On the forty-fifth day a number of evacuation camps would have been established; by the fiftieth day the first foreigners would leave for home; and by the hundredth day the evacuation would be complete. The withdrawals on both sides were throughout to be proportionate to the number of foreigners present, and by the time 10,000 had been withdrawn from the side with fewer foreign helpers and a proportionate number from the other side, both sides would be recognised as belligerents. Throughout the whole period, and even after as long as the civil war in Spain continued, close watch would be kept on all the frontiers, both land and sea. The Governments were also to bind themselves not to allow any propagandists to leave for Spain, no persons, that is, "whose activities in that country would be in any way susceptible of prolonging or embittering the conflict," or would be "in any way repugnant to the spirit and intention of the Non-Intervention Agreement." The full cost of the scheme was estimated to be not less than 3,000,000*l.*, of which at least two-thirds was likely to be contributed by Great Britain, France, Germany, and Italy.

By this time the Government had got itself into an exceedingly awkward position through trying to make too free use of the Official Secrets Act of 1920. This Act made it a penal offence to

refuse to disclose to the police the source of information which there was reason to suppose had been improperly divulged by a person in Government employ. The terms of the Act were so widely drawn as to arouse at the time of its introduction no small apprehension among lovers of freedom, but these had been pacified by assurances—which had been repeated subsequently—that the Act would only be put into force against spies and spying. In point of fact, it had on more than one occasion been given a much wider range, and early in this year its aid had been invoked to secure the conviction of a journalist who had published some information of no national importance, but which the police desired to keep secret. The journalistic profession, already alarmed by the demand of certain foreign Powers for the suppression of news in England, began to fear for the liberty of the Press, and agitated for an amendment of the 1920 Act.

On May 12 Mr. Foot, a Liberal member, asked in Parliament whether such a course was contemplated. The Home Secretary, in reply, said that the difficulty in the way of limiting the application of the Act to naval or military secrets was that there were other secrets the disclosure of which might be equally prejudicial to the national interests, and it was therefore impracticable to define by statute the circumstances in which the use of the special powers of the Act was warranted. For that reason he refused to bring in any amending legislation. He did, however, reaffirm an undertaking already given by the Attorney-General in 1930 that the special powers of interrogation in respect of published matter would not be used except after authorisation by the Attorney-General or the Secretary of State, and he amplified this by giving an assurance that such authority would only be given in cases where the information disclosed was itself of serious public importance.

Mr. Foot was not satisfied, and on May 24 asked leave to introduce a Bill to amend the 1920 Act by certain provisions which would remove its objectionable features. He said that when the Bill was introduced in 1920 the then Attorney-General had stated that it would in practice deal only with spies and spying, but the Home Secretary on May 12 had made it clear that it would not be limited to the original purpose envisaged by the House. In the course of his speech he pointed out that it was not only the Press which might be threatened by powers of this kind, but they might even affect members of the House—a remark which was greeted with derisory laughter by Ministerialists, but the correctness of which was soon to be demonstrated in a striking fashion.

On June 17 a young Conservative member, Mr. Duncan Sandys, a son-in-law of Mr. Winston Churchill, sent the Secretary of State for War a letter enclosing the draft of a question which he proposed to ask in Parliament with reference to the anti-aircraft

defences of London, and inquiring whether the Minister had any objection to the question being put. Mr. Sandys had already caused some embarrassment to the Government in the Air Force debates by calling into question its assurances with regard to the air defences of London, and the question which he now proposed to put would have placed its alleged deficiencies in a still more serious light. For this reason, in accordance with a well-established practice, he first inquired of the Minister whether he had any objection to its being asked.

Mr. Hore-Belisha at once observed that the question was based on information of a very confidential character which should never have been communicated to Mr. Sandys. Before giving him a reply—beyond a formal acknowledgment—he submitted the question to the Army Council on the one hand and the Prime Minister on the other. Both agreed with him that the question was one which in the public interest should not be asked in Parliament. The Army Council at once set up a Committee of Inquiry to ascertain how the leakage of secret information had occurred. The Secretary for War on his side—acting in concurrence with the Prime Minister—instead of personally trying to dissuade Mr. Sandys from putting his question, as would have been the usual course, asked him to call on the Attorney-General, Sir D. Somervell, and the latter, in two interviews, on June 23 and 24, acting on the instructions of the Secretary for War, drew his attention to the Official Secrets Act of 1920 and especially the now notorious paragraph 6, and gave him clearly to understand that if he did not disclose the name of his informant he was liable to prosecution; whether he at any point actually threatened him with prosecution was a matter on which he and Mr. Sandys differed in their subsequent accounts of the affair.

Mr. Sandys had already shown his independence of mind by criticising the Prime Minister's inaction in the matter of the bombed British ships; and now too he proved that he was not the man to be intimidated. On June 28 he told the House of Commons the whole story and asked for guidance from the Speaker. After the Attorney-General had given his version of the affair, the Speaker recommended Mr. Sandys to give notice of a motion in suitable terms so that the House might discuss the question. The Prime Minister having promised that time would be found for such a discussion, Mr. Sandys at once gave notice of a motion that a Select Committee of the House should be appointed to inquire into the substance of the statement he had just made and the action of the Ministers concerned, and generally on the applicability of the Official Secrets Act to members of the House in the discharge of their parliamentary duties.

Before the motion could be discussed, a development occurred which constituted a new challenge to members' rights. On June 29 Mr. Sandys informed the House that in his capacity as

a junior officer in the Territorial Army, he had received orders to appear in uniform before the Court of Inquiry for the purpose of giving evidence, and he submitted that this constituted a gross breach of the privileges of the House. The Speaker ruled that a *prima facie* case had been made out, and the Prime Minister moved that the matter should be referred to the Committee of Privileges. Mr. Attlee and other members of the Opposition descanted on the importance of maintaining the supremacy of Parliament, while Ministerialists for the most part sat in uneasy silence. The motion was agreed to, the Committee of Privileges was immediately set up, and next day it reported that a breach of the privileges of the House had been committed. As Mr. Hore-Belisha, however, had promised that the Court of Inquiry would suspend its proceedings until the Select Committee had reported, no further action was recommended.

The motion for setting up a Select Committee to inquire into Mr. Sandys's original complaint was submitted by the Prime Minister on June 30. He pointed out that secret information obtained by members might be used in such a way as to greatly benefit the nation, but it might also be used in such a way as to affect seriously the safety of the realm. He thought it best to suspend judgment on the whole matter until the Committee had reported, and meanwhile assured members that they need not feel themselves menaced. Mr. Attlee affirmed that in practice members did not abuse their privileges in exercising their liberties, and Sir A. Sinclair pointed out that it was common knowledge that members often based speeches on information obtained from official sources, and mentioned instances in which in this way valuable debates had been enabled to take place. Mr. Churchill acidly remarked that the Act which was devised to protect the national defence should not be used to shield Ministers who might have neglected the national defence ; and the motion was carried unanimously.

On July 11 the Prime Minister moved in the House of Commons that the Report of the Committee of Privileges should be agreed to. He informed the House that the Committee had been unable to find any exact precedent for the case under consideration, and had had to fall back on common sense, and he thought they had shown a due sense of their responsibility both to the privileges of the House and the safety of the State. Members of the Opposition, and also Mr. Churchill, had come expecting to discuss the part played by the Secretary of State for War in the affair, but to their great chagrin and in spite of their vehement protests, the Speaker ruled at the outset that the only question before the House was the conduct of the Court of Inquiry, and that if the responsibility of the Secretary for War was to be discussed, some other opportunity must be found for doing so. The debate therefore did not take the course which had been expected, and though

the motion was accepted unanimously, the Government means able yet to consider the matter as closed.

It was in fact reopened very soon after and in a manner as unexpected as it was disconcerting for the Government. A Unionist member, Lt.-Colonel Heneage, discovered a few days later that it was not the Military Court which had in fact summoned Mr. Sandys and committed the breach of privilege animadverted upon by the House. On July 14, in the House of Commons, he asked the Speaker how the new situation should be dealt with. After taking a few days for reflection, the Speaker ruled on July 18 that the new facts—of the truth of which he was satisfied—exonerated the members of the Court of Inquiry, but were of little importance in their bearing on the case of privilege; and he advised the House to let the matter rest where it was.

The Prime Minister was strongly in favour of this course, but the Opposition were eager to find out who really had given the order to Mr. Sandys. With this object in view, Mr. Attlee on July 19 moved that the resolution of July 11 should be rescinded and the report recommitted to the Committee of Privileges. Sir A. Sinclair, while no less anxious than Mr. Attlee that the question should be reopened, considered that it would be undignified for the Committee of Privileges to do its work over again, and moved as an amendment that the Select Committee on the Official Secrets Act should be instructed to inquire into and report on the circumstances in which the breach of privilege was committed. The Prime Minister assented to this, assuring the House that he also had all along been under the same misapprehension as the rest of the members. Mr. Churchill was inclined to demur, but Mr. Attlee accepted the amendment, and it was passed without a division. Thereupon the "Sandys-storm," as the commotion was commonly nicknamed, subsided for the time being.

The report of the Unemployment Assistance Board for 1937, issued on June 13, gave an account of the working of the revised regulations for the application of the means test passed in the summer of 1936. About 230,000 of the Board's applicants received increased allowances under these regulations, while at first there had been about 100,000 who were receiving more than they were entitled to. These people's assessments were reduced very gradually; at the end of 1937 there were still 30,000 of them, and the stand-still arrangement did not completely cease till May of the current year. The process of reduction was made easier by the comparatively high level of employment maintained during the year. A statistical analysis made by the Board showed that in over 30,000 cases, or 6 per cent. of the whole, the applicant was receiving from the Board an allowance which was within 4s. of his normal wage, which meant that—seeing that he was saved certain items of expenditure incurred by those

in employment—he was as well off as he would be in employment. This class consisted mostly of men with low earning capacity and large families ; and its existence constituted a serious problem for the Board. Another problem was how to deal with the “work-shy” ; though they constituted only a small percentage of the total, their number was sufficiently large to cause the Board much concern. In 1937 the amount paid in U.A.B. allowances was 36,695,000*l.* to a weekly average of 577,000 persons, and the average weekly payment was 24*s.* 3*d.* In 1934 the average had been 20*s.* 7*d.* to 806,000 payees.

In the discussion on the Ministry of Labour Vote in the House of Commons on June 24, Mr. Amery called attention to the statement of the report that certain lower paid wage earners with large families were receiving as much when unemployed as when at work, and outlined a scheme of family allowances as a remedy. He was supported by a Liberal speaker, Mr. Graham White, but Labour speeches were inclined to be critical. The Minister of Labour, in view of the hostility which had been expressed by the Trades Union Congress to the proposal, declined to initiate discussions on the subject. Foreign experience, he said, suggested that one of the motives in introducing these allowances in Continental countries was to keep the general wage-level low, and this was a direction in which the House of Commons certainly should give no lead.

In the debate on the Vote for the Ministry of Labour on July 18, Mr. Attlee again called attention to the fact that the scale allowances of the Unemployment Assistance Board in some cases equalled or exceeded the wages of a recipient when at work, and suggested that the remedy lay in raising wage standards. The Minister, in reply, stated that in the last four years the net increases in wages had amounted to 1,800,000*l.* a week. He pointed out that only in a trifling percentage of cases did unemployment assistance equal or exceed wages normally earned, and this was mostly in industries where trade unionism had not been effective and collective agreements were lacking. With all its faults, he claimed that the U.A.B. was the most effective organisation yet conceived for the humane and sympathetic treatment of the able-bodied unemployed and their families.

On June 14 attention was called in the House of Commons to the disturbances which had recently taken place in Jamaica. The Colonial Secretary described them as a protest against the consequences of economic distress, and admitted that, in spite of much that had been done to assist the Colonies, there was need for much more to be done in many directions. He went on to outline a long-term policy of which the chief features were an expansion of social and other services to improve the standard of living ; assistance to the main agricultural industries of the island ; and the development of alternative occupations and means of

livelihood for the people to offset increasing unemployment and a rising birthrate. Mr. MacDonald also referred to the troubles which were taking place in Palestine, and said that he was continuing the policy of his predecessor and that the first object of the Government was to put down terrorism. Shortly afterwards (June 28) it was announced that a Royal Commission, with Lord Moyne as chairman, had been appointed to investigate social and economic conditions in Jamaica, Trinidad, British Guiana, British Honduras, Barbados, and the Leeward and Windward Islands.

On June 16 the Prime Minister made a notable concession to the Opposition by stating that the Government were prepared to reconsider the question of police bombing on the Indian Northwest frontier. Opposition speakers had always maintained that the refusal of Lord Londonderry a few years before at a disarmament conference at Geneva to abandon this practice had been one of the main causes of the breakdown of the conference. Mr. Chamberlain now stated that, although the Government regarded the system as essentially humane, he would not let it stand in the way of a general agreement on the abolition of air bombing.

On June 30, three months after deciding to invoke the "escalator" clause of the London Naval Treaty of 1936 (*vide* p. 24), representatives of the United Kingdom, France, and the United States signed a protocol providing for a new displacement limitation of 45,000 tons, to replace the existing Treaty limitation of 35,000 tons. The existing maximum gun displacement calibre of 16 in. was left unchanged. A protocol in similar terms was signed at the same time with Germany and soon after with Russia. The First Lord of the Admiralty stated in Parliament that the upper limit of 45,000 tons was higher than the Government had desired, but represented the lowest figure on which agreement could be reached; and he announced their intention not to build for the present any capital ship with a displacement of more than 40,000 tons, an example which he hoped would be followed by the other Powers.

Soon after its seizure of Austria, the German Government announced that it would not continue to pay the interest on the Austrian loans contracted between 1930 and 1934, for which the British Government had in part made itself responsible. The Government contested its legal right to take such a step, and it was strongly urged by the British Chambers of Commerce, speaking in the name of British creditors, to take a firm stand against such a flagrant breach of good faith. Sir F. Leith-Ross was sent over to Berlin to try to negotiate a settlement, and to threaten that if Germany did not pay up, a clearing arrangement would be brought into force. Great Britain also joined with seven other Powers concerned in lodging a protest with Berlin. At the last moment the German Government gave in—on terms, and on July 1 the Chancellor of the Exchequer announced in the House of Commons that it had consented to reimburse to the United



Kingdom Government any sums paid in respect of their guarantees of the Austrian loans, and assure the full service of bonds of such loans owned by British holders on July 1, subject, however, to a reduction of the rate of the Seven Per Cent. Loan to five per cent. interest and two per cent. sinking fund. At the same time similar reductions were made in the interest rates of the German Dawes and Young Loans, while Germany on her side undertook to increase the allocation for United Kingdom exports to Germany, so as to diminish the disparity with German exports to the United Kingdom.

On July 6 a discussion took place in the House of Lords on the question whether Ministers should be allowed to speak in both Houses. Interest in the question had been stimulated lately by the handicap imposed on Lord Swinton in not being able to reply in the House of Commons to the charges brought against him there, and also by the objections raised against Lord Halifax becoming Foreign Secretary. Opinion in the debate was fairly equally divided. Lord Halifax, in winding up, said that the proposal was superficially attractive, but there were grave practical difficulties, the chief being the great difference of atmosphere between the two Houses and the physical strain which would be imposed on Ministers already taxed to the utmost. He preferred the ills he knew to those he did not know.

On July 8 the House of Commons debated the condition of the mercantile marine. Mr. Greenwood and Mr. Amery drew attention to the continued decline in the tonnage of the mercantile marine, and called upon the Government to take some steps to combat the danger of its being swept off the seas by subsidised foreign competition. Mr. Stanley, in reply, said that the Government were aware of the seriousness of the position, but he suggested that they were waiting for the industry itself to take the first steps. He maintained too that the picture was not so black as it was painted, and that Sir T. Inskip had been fully justified in asserting recently that if an emergency occurred, the state of the mercantile marine would be found to be not unsatisfactory. With regard to the standards of accommodation in British ships, which had been severely criticised in the course of the debate, he maintained that those recently laid down by the Board of Trade for new ships were in no way inferior to the standards of the ships of other countries, though he admitted that bad conditions still existed in many old ships.

In the course of a public speech at Kettering on July 2 the Prime Minister took occasion to refer to the agitation which was being carried on—especially among the farming community—for increasing the supply of home-grown food. He did not deny that it would be possible to grow at home all the food they needed; but, apart from the fact that it would be very costly, he found the chief objection to this course in the fact that it would ruin

those Empire and foreign countries which were dependent on the British market, so that they would no longer be able to buy British manufactures, with the consequence that their unemployment figures would go up, the unemployed would have to reduce their purchases of farm products, and the final sufferer would be the farmer himself.

The public was not a little surprised to find Mr. Chamberlain using the language of pure Free Trade doctrine, while among the farming community his remarks created a feeling akin to consternation which was expressed in numerous meetings held by them up and down the country. He somewhat reassured them by stating that no change was intended in the Government's agricultural policy, and that all the measures which they had promised for the benefit of agriculture would be brought forward in due course. Nevertheless, the bad impression produced by his Kettering speech was not removed, and the belief of the farming community that the Tory Party would always be its friend in need was severely shaken.

A somewhat complacent view of the condition of agriculture was taken by Mr. Morrison in asking for the Vote for the Ministry of Agriculture on July 13. He asserted that except for butter, barley, and peas, and to a lesser extent beef and mutton, they were now producing a larger proportion of their requirements than before the War. Largely as a result of the measures taken by the Government in the last six years, beef was up by nearly 2,000,000 cwt., pigmeat by nearly 4,000,000 cwt., milk by 76,000,000 gallons, and wheat by 348,000 tons. Apples had risen by more than 5,000,000 cwt., while vegetables and other horticultural produce also showed a satisfactory increase. It was left for members of the Opposition—Mr. Lloyd George in the Commons and Lord Addison in the Lords—to complain that the Government was neglecting the nation's food supply and to demand more energetic support for agriculture; a Liberal motion to reduce the Vote was, however, negatived by 240 votes to 137.

The Finance Bill reached its third reading on July 15 substantially unchanged. Captain Wallace, the Financial Secretary to the Treasury, in moving the third reading, said that the Bill had two remarkable features. One was that, though the standard rate of income tax was 6*d.* more than in the second Budget of 1931, the smallest direct taxpayers were to-day better off. The other was that in a time of such stress and stringency the expenditure on social services had actually increased. Up to date, at any rate, they were getting both guns and butter. The Budget was not, strictly speaking, balanced, but the borrowing was controlled and limited, with definite provisions for repayment. The Chancellor of the Exchequer, in winding up the debate, remarked that the course of world trade had not been too favourable since the Budget was introduced, but he refused to take a gloomy

view of future prospects. He deplored the vast expenditure on armaments, but declared that, while Britain had not started the race or set the pace, she could endure the burden at least as well as the others—a sentiment which was on the whole in harmony with the general tone of the debate.

When the Finance Bill came before the House of Lords for its second reading on July 21, Lord Samuel took the opportunity to press upon the Government the importance of not allowing the question of the American War debt to sink completely into abeyance. He was well aware, he said, that it was out of the question to resume payments at the present juncture, but he thought it highly advisable that the Government should make clear its intention of doing so when circumstances became more favourable. This plea was supported by Lord Snell and Lord Lothian. Earl Stanhope, in reply, admitted that the issue, as Lord Snell had said, remained very much a thorn in the side of two great and friendly peoples, but he assured him that it was not one which the Government considered to be closed and finished. They had no intention of repudiating their obligations and were prepared to enter into fresh discussions when such discussions would be likely to produce fruits of value ; but it would do much more harm than good to raise the question at a moment when they were not likely to reach a settlement.

On July 19 the King and Queen left London to pay a State visit to Paris, returning on July 22. The visit was a great success in every way, and helped to strengthen the cordial relations already existing both between the two peoples and their Governments. The visit was preceded by a friendly exchange of letters between the French and British Prime Ministers, in which the unchanged British attitude on outstanding questions of foreign policy was reaffirmed.

While by this time a prospect of a settlement in Spain had appeared on the horizon, tension had once more become acute in Czechoslovakia. The gap between the demands of the Sudeten Germans and the offers of the Czech Government obstinately refused to close, and the danger of armed intervention by Germany still loomed in the not very far distance. Anxious above all things to relieve the tension, the British Government accepted with alacrity a proposal made by the Czech Government that some Englishman of standing should go to Prague to act as an unofficial mediator between themselves and the Sudeten Germans. A request to undertake the task was made to Lord Runciman, as a man possessing the right degree of ability, experience, and detachment, and was accepted by him without demur, though he by no means minimised the difficulties confronting him, quaintly comparing himself to a man set adrift in a rowing boat in mid-Atlantic.

The production of the Spanish plan and the sending of Lord

Runciman to Prague, while welcomed by the Opposition, did not disarm their deep-seated suspicions of the ultimate designs of Mr. Chamberlain, and on July 27 Sir A. Sinclair moved a reduction in a Foreign Office Vote, chiefly on the ground that the Government was still following a policy of concession to the dictatorships, though he admitted that on occasion it had shown firmness. The Prime Minister, in reply, declared proudly that though they were seeking peace, no one should for a moment suppose that they were willing to sacrifice even for peace British honour and British vital interests. He seemed to think, however, that this condition was amply fulfilled by their determination to rearm, and he gave no definite assurance that the policy of concession would not continue. On the whole, however, the speech was marked by a firmer tone than Mr. Chamberlain's previous pronouncements on foreign policy, and the Opposition were gratified to receive from him a clear assurance that the Anglo-Italian Agreement would not come into force until the Italians had at least commenced to withdraw from Spain, and to hear that the Government were using their influence with Germany no less than with Czechoslovakia in their endeavours to bring about an understanding. After some discussion, the motion was negatived by 275 votes to 128.

In the course of the debate, attention was drawn to the damage which was being inflicted on British interests in the Far East by Japan, and the suggestion was made that Britain should guarantee a loan to China. The Prime Minister, in reply, stated that the question of a loan had been long and anxiously considered by the Government, and they had finally come to the conclusion that they would not be justified in guaranteeing a loan which would have to be based on a security of hypothetical value, especially as it was not certain that if granted it would accomplish the objects intended. This, however, did not mean that it might not be possible to assist China in other ways, and proposals to that end were in fact being examined. On the next day Lord Halifax stated in the House of Lords that the British Ambassador in Japan was discussing with the Japanese Foreign Minister alleged infringements of British rights, and the Government were considering what action could be taken if satisfaction were not obtained.

On July 21 the Home Secretary in a public speech gave a review of the progress made by the Air-Raid Precautions movement—commonly known as A.R.P.—during the past six months. He said that the chapter of ignorance and indifference which had formerly been the rule was ending and that the citizens of the country were every day becoming more and more alert to the obligation that was upon them to protect their homes, their cities, and their country against a new and terrible danger. The number of recruits was now about 500,000, and they were coming

in at the rate of 60,000 a month. More than 5,000 local training schools had now been established, so that there was no longer a dearth of facilities for training. He spoke in terms of high praise of the auxiliary fire service of the London County Council and other places, and of the efforts of certain industrial establishments to organise their workpeople. Under the initials A.R.P., he said, there was growing up a complete new public service manned by ordinary men and women taking on jobs and duties which were onerous and might be dangerous on behalf of their fellows, and out of this new service there would come a sense of protection and reassurance for the country and a warning to other countries that England was prepared.

On July 28 the Secretary for War announced in the House of Commons a number of far-reaching changes in the conditions of service for combatant officers in the Army. The chief was that henceforth promotion by vacancy up to the rank of major would be abolished, and every subaltern would automatically become a captain in eight years, and every captain would become a major in another nine years. The retiring ages for all ranks above major were at the same time considerably lowered. The general effect of the proposals was to accelerate promotion considerably and so to give increased pay at lower ages. As the reforms took effect at once, the next *London Gazette* was the largest in the history of the Army, containing the names of over 2,000 officers—more than a quarter of the subalterns and captains in combatant corps—who were being promoted. The cost of the reforms to the taxpayer was estimated at 300,000*l.* in the first year, rising to a maximum of 600,000*l.*

On July 27, the second anniversary of the outbreak of the Spanish Civil War, the National Council of Labour issued "an appeal to every British citizen who loves fair play," denouncing the policy of "non-intervention" in the usual strong terms, but asking for no more than help for those bodies which were supplying food and similar necessities to the Spanish people. Many members of the Labour movement, with Sir Stafford Cripps at their head, were of opinion that some more drastic action ought to be taken, and about this time there was a strong agitation in the party for calling a special conference to deal with the Spanish question. There was all the more ground for this because, according to the resolution of the Labour Party Conference in 1937, the next conference was not in the ordinary course to take place till the spring of 1939. The Executive, however, postponed taking a decision till after the Trades Union Congress should have met in September.

On June 30 a deputation from the Welsh Parliamentary Party waited on the Prime Minister to ask for the establishment of a special Welsh Office on the lines of the Scottish Office. On July 27 Mr. Chamberlain replied that while he was not lacking

in sympathy with the argument from national sentiment which was adduced in favour of the change, he could not see any pressing need for it, as Welsh affairs were dealt with efficiently, and as far as possible separately, under the present system. He therefore did not think the expense involved would be justified. He pointed out that there was no real analogy in this matter between Wales and Scotland, which had always had different systems of law and administration from those in force in England.

## CHAPTER III.

### THE MUNICH AGREEMENT.

IN his review of the international situation on July 27, Mr. Chamberlain had ventured the assertion that the prospects of peace being maintained in Europe were somewhat better than they had been a short time before. Grounds for his optimism could be found in the scheme evolved by the Non-Intervention Committee for removing foreign troops from Spain, and in the mission of Lord Runciman to Prague to mediate between the Czechoslovak Government and the Sudeten Germans. Unfortunately neither of these steps realised the hopes which were built upon them.

The Non-Intervention Committee's scheme of July 11 had been submitted without delay to the headquarters of both sides in Spain. The Republican Government had replied promptly expressing its willingness to accept the scheme, in spite of many points which it thought open to criticism. General Franco delayed his reply for weeks, and in the meanwhile reports reached London that Italian reinforcements were again being sent to Spain. This time the British Government took note of the reports and made representations about them in Rome, receiving only evasive answers. When General Franco's reply at last arrived on August 18, it proved to be a virtual rejection of the scheme, as he insisted that he should be granted belligerent rights at once and that withdrawals on both sides should be in equal numbers. And since he was still no nearer to victory than he had been six weeks before, a settlement in Spain, and with it the realisation of the Anglo-Italian Agreement, seemed as far off as ever.

Nor did Mr. Chamberlain's policy of appeasement meet with any greater success in Czechoslovakia either. Certainly Lord Runciman, who left for Prague on August 3 with a suite including some Foreign Office officials, made a good beginning. He was cordially received by both sides, and issued an appeal for goodwill which apparently was listened to by both. The Czechoslovak

Government did indeed make good use of his services in drafting its offers to the Sudeten Germans ; and as the Sudeten leaders also adopted a moderate tone, for a week or two it really seemed as if a peaceful solution might be reached.

An ominous change came over the situation with the commencement on August 15 of the German military manœuvres in the Reich. Foreign observers could not overlook the fact that the operations were on a scale far transcending that of ordinary manœuvres and resembling more a full mobilisation for war. At the same time the Sudeten Germans became more clamorous and intransigent, egged on by violent propaganda in the German Press. In the course of the next two weeks, the Prime Minister, Lord Halifax, and Sir John Simon met two or three times in London, and, while they still regarded the situation in Spain as the major issue, devoted their attention also to the new turn in Czechoslovakia, which was almost daily becoming more menacing. On August 24 Mr. Ashton-Gwatkin, a member of Lord Runciman's mission, returned to London for a short time and reported to Lord Halifax on the situation in Prague, and he was followed a few days later by Sir Nevile Henderson, the British Ambassador to Germany, who brought corresponding reports from Berlin.

The general public was if anything even more anxious than the Ministers about the situation in Czechoslovakia. While much sympathy was felt with the grievances of the Sudeten Germans, there was widespread antagonism to the hardly veiled territorial designs of the Nazi Government. And the handling of the situation by Mr. Chamberlain did not inspire universal confidence. For one thing it was remarked that Lord Runciman was showing an obvious partiality to the German over the Czech elements in Czechoslovakia, and was using all his influence to procure concessions from the latter and none at all from the former. Also some people remembered that in May a Canadian paper had published an interview purporting to have been given by Mr. Chamberlain in which he expressed himself in favour of a Four-Power Pact and spoke slightly of the integrity of Czechoslovakia, and that when questioned on the matter some weeks later in the House of Commons, though he did not acknowledge the statements to be correct, he refrained from repudiating them.

It happened that Sir John Simon was due to make a public speech at Lanark on August 27 ; and in order both to satisfy public opinion and to convey a warning to Germany, it was arranged between him and his two colleagues that he should take the opportunity to make a statement on British policy with regard to Czechoslovakia. He did this by stating that the declaration made by Mr. Chamberlain in his speech in the House of Commons on March 24 with regard to the position of Britain still held good.

As this declaration had been generally interpreted to mean that Britain would stand by France in support of Czechoslovakia, and as Sir John now added that it would be impossible to assume a limit to the disturbance that a conflict might involve, most people were satisfied, though many still wondered whether something much more explicit was not required to open the eyes of Germany's rulers to the real intentions of Great Britain.

Mr. Chamberlain's handling of the Czechoslovak problem was approved by a meeting of Ministers held on August 30 and attended by most members of the Cabinet. Thus encouraged, and with the moral support of the representatives of the Dominions, the French Government, and the American Ambassador, with whom he kept in constant touch, he continued his efforts to conjure the danger of a general war, which was now recognised to be very real. On the one hand, he instructed the British Minister in Prague to exercise pressure on the Czechoslovak Government to make still further concessions; on the other hand, he instructed the British Ambassador in Berlin to make it clear, if not to the Führer himself, at least to all the other leading personages in the Reich, that if war broke out in Czechoslovakia, Britain would certainly not stand aloof.

While the issue of peace or war thus hung in the balance, the trade unions held their seventieth annual Congress at Blackpool (September 5-9). The results of this Congress were awaited with particular interest by the general public on this occasion, because it was known that some of the unions most closely concerned in the work of rearmament would advocate "direct action" of some kind in order to force the Government to change its non-intervention policy in Spain—an object which commanded practically the undivided assent of the whole Labour movement. Hitherto the General Council had steadfastly set its face against such a course, on the principle that in dealing with any Government on behalf of the trade union movement, its conduct must be regulated by industrial and not political considerations. It was now to be seen whether the Congress would endorse its action.

The case for the General Council was put by Sir Walter Citrine, the Secretary, on September 6. Sir Walter was at pains to clear the Council of charges which had been brought against it that in some way it was assisting the Government to thwart the wishes and override the interests of the workers. Referring to the two interviews between the Council and the Prime Minister on March 23 and May 26, he maintained that they had committed the unions to nothing and had merely made clear the general position of Labour in respect to international affairs. The question of "dilution," which had been raised by the Government and the employers, they had left to be settled by the unions themselves. In the discussion which followed, fault was found with the General Council for not having spoken sharply enough to the Government,



but a motion to refer back the part of the Council's report dealing with rearmament was rejected by an overwhelming majority.

On the next day (September 7), the General Council conferred for several hours with the National Executive of the Labour Party and the Executive of the Parliamentary Labour Party, and late at night issued a manifesto setting forth the views of organised Labour on the international situation. The whole world, it said, stood to-day upon the brink of war. A heavy responsibility for this situation rested on the indecision and misdirected policy of the British Government in the past seven years. General Franco's rejection of the Non-Intervention Committee's proposals was the latest cynical comment on the weakness of the resistance offered to aggression. The demand of the Spanish people for the restoration of their Government's right to purchase arms should be granted forthwith and the French frontier opened. The failure to recognise the indivisibility of peace was emphasised anew in the threat to Czechoslovakia, in the outcome of which the fate of the world was involved. The time had come for a positive and unmistakable lead for collective defence against aggression. The British Government must leave no doubt in the mind of the German Government that they would unite with the French and Soviet Governments to resist any attack upon Czechoslovakia. Labour could not acquiesce in the destruction of the rule of law by savage aggression, and they therefore demanded the immediate summoning of Parliament in order that these principles might be reaffirmed there with the utmost energy and determination.

On the next day (September 8) in the morning session the delegates considered, in private, proposals made by certain unions for a special conference on the international situation, with particular reference to Spain, and for direct industrial action in opposition to the foreign policy of the Government. In the end the views of the General Council were endorsed by an overwhelming majority. A resolution, however, was passed calling on Congress to determine what effective steps might be adopted by the whole trade union movement to secure the removal of the ban on the supply of arms to the Spanish Government. In the afternoon session it was announced by a miners' representative that in six weeks the miners had raised no less than 68,000*l.* for the fund in Spain, and that the Trade Union Congress had contributed 58,785*l.* to date, while 38,000 children were receiving regular rations of milk and other food through the agency of a trade union committee.

At the same afternoon sitting the manifesto issued by the General Council on the previous night was laid before the Congress by Mr. George Hicks, M.P. He said that there was nothing fresh in the document or which was not in full accord with the policy laid down by Congress and at Labour Party Conferences, but

it was issued to the Press because it was thought that at that time it might have a steadying effect. There was some criticism of the statement, chiefly from the pacifist side, but a motion to refer it back was defeated by an overwhelming majority.

The pressing demands made by foreign affairs on the attention of the Congress left it little time for the consideration of the industrial situation at home. In fact the industrial machine had worked so smoothly for the past three or four years that there was only one question of major importance which called urgently for attention, and on that one it was difficult to say anything new. On September 7 the Congress passed an emergency resolution stating that it viewed with deep concern the continuance of large-scale unemployment, noted with anxiety the steady increase in the number of unemployed during the past year in spite of the vast expenditure on the rearmament programme, and deplored the failure of the Government to recognise the unmistakable signs of the approach of a new trade depression, and to make plans to deal with it. The resolution went on to call for the systematic planning of the economic activities of the nation and the reorganisation of its basic industries on the lines of the schemes already prepared by Congress for the mining, iron and steel, and cotton industries, and to reject decisively any suggestions for the curtailment of the amount spent on the social services. Congress was asked to bring this matter to the attention of the Government, together with the proposal of the Labour movement for the establishment of a national planning board. On the concluding day (September 9) the Congress, by a majority of 1,100,000 on a card vote, upheld the decision of the General Council, in accordance with the findings of the Oslo Conference of the International Federation of Trade Unions, "not to proceed further with the negotiations with the central council of the trade unions of the U.S.S.R."

In accordance with instructions issued from London after the Cabinet meeting of August 30, the British Minister in Prague pressed the Czech Government to make yet further concessions—though those which it had already offered were universally considered in England to be exceedingly generous—while the British Ambassador in Berlin impressed upon the German Government Britain's determination to support France if she should go to the aid of Czechoslovakia. Thereupon the Czech Government produced yet another plan more favourable to the Sudeten Germans than any that had preceded. The German Government, however, remained unyielding. In his speech at the Nuremberg rally on September 12, Herr Hitler entirely ignored the British efforts to obtain concessions for the Sudeten Germans, and urged them to hold out for their maximum demands, promising them the armed aid of Germany if necessary.

On the next day Herr Henlein, the Sudeten leader, issued an

ultimatum, which was rejected by the Prague Government. In Government circles in London it was feared that an armed rising would take place in Czechoslovakia and that a German army would march to the support of the insurgents, and on the night of September 14 emergency staffs were kept working at Whitehall in expectation of such an event, while public feeling had been worked up to fever pitch. Europe seemed to be on the very brink of a conflagration. At this critical moment the Prime Minister took a step as dramatic as it was unexpected with the object of staving off the impending evil. On September 14 he sent a message to Herr Hitler through the British Ambassador in Berlin stating that he proposed to go over to Germany at once to see him with a view to trying to find a peaceful solution. The news of the message electrified the world, and Mr. Chamberlain's action was generally acclaimed as a bold and statesmanlike endeavour to save a well-nigh desperate situation.

Herr Hitler accepted the offer with alacrity, and on the next day (September 15) Mr. Chamberlain, accompanied by his faithful henchman, Sir Horace Wilson, formerly Industrial Adviser to the Government, and Mr. Strang, of the Foreign Office, travelled to Munich by air, proceeding thence to Berchtesgaden by train. In the afternoon he had a long discussion with the Führer, and the next day he returned to London. Nothing was permitted to transpire with regard to the meeting save that both parties had stated their views with the utmost frankness, and that Mr. Chamberlain hoped to have another interview with Herr Hitler in Germany in a few days.

On the same evening Mr. Chamberlain reported to the King, and on the next day to a full meeting of the Cabinet which lasted for several hours, but reached no other decision than to invite the heads of the French Government to come to London to discuss the situation. The invitation was readily accepted, and early on Sunday, September 18, M. Daladier, the French Prime Minister, and M. Bonnet, the French Foreign Minister, arrived in London accompanied by their staffs.

During practically the whole of the rest of the day the visitors remained in close consultation with Mr. Chamberlain and the inner circle of the Cabinet (which had by now been joined by Sir S. Hoare), assisted as before by Lord Cadogan and Sir R. Vansittart. The conversations did not end till after midnight, when a brief *communiqué* was issued stating that "after full discussion of the present international situation the representatives of the British and French Governments are in complete agreement as to the policy to be adopted with a view to promoting a peaceful solution of the Czechoslovak question." In addition the hope was expressed that thereafter "it would be possible to consider a more general settlement in the interests of European peace."

Beneath this somewhat colourless pronouncement was concealed a decision which represented a complete *volte-face* on the part of the two Governments. Hitherto both had proceeded on the basis that the integrity of Czechoslovakia must be preserved; France had openly declared only a short time before that she stood by her commitments to that country, and Britain had assured France that she would come to her support in case of need. It was now decided to treat these pledges as meaningless, and to press Czechoslovakia to transfer to the Reich those parts of her territory which had a preponderatingly German-speaking population, without even going through the formula of a plebiscite.

On the next day (September 19) the Cabinet met to discuss the Anglo-French plan. Its deliberations were shrouded in profound secrecy, and there was no means of ascertaining at the time how far individual members found themselves in agreement or disagreement with their chief. Neither was a word of the plan disclosed to the public officially. Rumour, however, soon supplied the place of official announcements, and it was all the more readily believed because of certain circumstances which had already aroused suspicion that a double game was being played with Czechoslovakia. One was the almost ostentatious cold-shouldering of Russia throughout the crisis. Another was the fact that on September 7, *The Times*, at the end of an article insisting that the sovereignty of Czechoslovakia must be preserved unimpaired, had suddenly suggested that a solution might after all be found in a transfer of territory. The suggestion was very ill received by the public, and the Government hastened to repudiate it; but those who knew the Government and *The Times* remained suspicious. And now reports from Prague and the absence of any disclaimer from the Government soon turned suspicion into certainty.

In democratic quarters the news created both a consternation and an indignation almost without bounds. They had been under the impression—like everyone else—that Mr. Chamberlain had gone to Berchtesgaden in order to leave the Führer under no illusion as to British intentions—in fact, to present him with an ultimatum; and they found that instead he had brought back from there an ultimatum which he was setting himself with all vigour to carry out. Certainly he had for the time being averted war by so doing; but it was by no means certain that war could not equally have been averted by his taking a firm stand, or that his weak surrender might not in the end entail evils worse than war itself.

On the same day (September 19) Mr. Morrison, Mr. Dalton, and Sir W. Citrine interviewed the Prime Minister to obtain some first-hand information from him about his plan, and then reported to the National Council of Labour. This body resolved to stand by the Blackpool declaration of the Trade Union Congress which

promised to support the Government on condition that no doubt should be left in the mind of the German Government that Britain would unite with France and Russia in protecting Czechoslovakia. It also issued a manifesto stating that, "desirous of maintaining peace, it heard with dismay of the reported proposals for the dismemberment of Czechoslovakia under the brutal threat of armed force by Nazi Germany, and without prior consultation with the Czechoslovak Government." It declared this to be "a shameful betrayal of a peaceful and democratic people, constituting a dangerous precedent for the future"; and it went on to express its profound sympathy with the Czechoslovak people and to affirm its conviction that enduring peace could be secured only by the re-establishment of the rule of law and the ending of the use of lawless force in international relations.

The Council at the same time resolved to invite to London representatives of the French Socialist Party, the French trade unions, the Labour and Socialist International, and the International Federation of Trade Unions to confer with them on the situation. No time was lost in complying with the invitation, and a consultation on the lines laid down was held the next day (September 20). The French representatives showed themselves very hesitant about bringing pressure to bear on their Government in order to preserve the integrity of Czechoslovakia, and consequently no plan of action was decided on, and a statement issued at the close of the meeting could report nothing more than that there had been "a full exchange of information as to the attitude and action of the respective bodies regarding the present grave international situation." Whether any action would follow this exchange of information was not indicated.

Mr. Attlee also on the next day sent a letter to the Prime Minister repeating a request which he had made a fortnight before that Parliament should be called immediately, in order that it might be consulted "before Britain was committed to a grave departure from declared British policy." Mr. Chamberlain declined on the ground that he was engaged in delicate and difficult negotiations, and that to require him to take part in debates while these were still in progress would make his task impossible. He promised, however, that Parliament would soon have an opportunity of confirming or rejecting any proposals made by the Government.

Blandly ignoring the manifesto of the National Council of Labour and many similar protestations, Mr. Chamberlain continued to put the severest possible pressure on the Czechs, until on September 21 he procured from them a full acceptance of the terms he had laid before them. Thus armed, he immediately prepared to visit the German Chancellor once more. Before he could leave, however, on the same night the National Council of Labour sent a deputation to interview Lord Halifax and lay

before him with all emphasis the Labour objection to any further concessions being made. They also issued a statement expressing the profound humiliation with which they had read the statement of the Prague Government that it had been forced under irresistible pressure from England and France to accept the London proposals. This, they said, was a shameful surrender to the threats of Herr Hitler, which would not bring peace; for his ambitions did not stop at Czechoslovakia, and his present triumph would be a starting-point for further warlike adventures which in the end must lead to a general conflict. If war was to be averted and civilisation saved, the peace-loving nations must make an immediate and concerted effort to restore the rule of law. At the same time the Council determined to conduct throughout the country a campaign of protest "against the shameful sacrifice of the Czechoslovak people to Hitler's threat of war"; and in fact in the course of the next few days thousands of meetings were held and millions of leaflets were distributed in order to rouse public feeling.

Mr. Chamberlain meanwhile went his own way. On the morning of September 22 he duly set out by air for Godesberg near Cologne, which the Führer had chosen as the venue for their next interview. The purpose of the meeting was to fill in the details of the Berchtesgaden plan, which had been little more than an agreement on principle. To his intense chagrin he discovered that the Führer's idea of the details was vastly different from his own, and contemplated movements of troops and occupation of territory of which he could not possibly approve. He returned to London on September 24, bringing with him nothing but a Memorandum containing the German demands which he undertook to hand over to the Czech Government.

In conformity with this undertaking, the memorandum was duly handed over by the British Government, in conjunction with the French, to the Czech authorities, without any recommendation to accept it. The Czechs rejected it out of hand, counting now upon French and British support. Nor did they apparently miscalculate. On Sunday, September 25, the Cabinet met three times and MM. Daladier and Bonnet paid another flying visit to London to confer with the British leaders. It was decided that France and Britain should stand by the original proposals, but should support the Czechs in armed resistance to the additional demands now made by Herr Hitler. The latter had fixed October 1 as the time limit for their acceptance, and it was doubtful if he would wait even so long before launching his attack. Thus matters had reverted to the situation which existed on the eve of Mr. Chamberlain's visit to Berchtesgaden, and a European war seemed to be a matter of days, if not of hours, unless by some miracle the Führer should be induced to draw back at the last moment.

The British Government had foreseen the possibility of trouble almost from the moment that Mr. Chamberlain reached Godesberg, having been immediately apprised by him by telephone of the unfavourable turn the negotiations were taking, and it lost not a moment in preparing for war in grim earnest. On the military side, consultations took place between the heads of the British and French armies, and on September 28 an order was issued for the mobilisation of the Fleet. On the "home front" feverish activity was deployed in the sphere of air-raid precaution work. Certain units of the anti-aircraft force were called up, volunteers came forward in large numbers for the various forms of national service, and within a week practically the whole population had received gas masks and booklets of instructions. Trenches were dug in the London parks, and arrangements were made for evacuating the whole school population of London in accordance with a plan which had been in preparation for a couple of years. The public were agreeably surprised to find that the air-raid precautions, as far as they were able to judge, were rather further advanced than had been generally supposed, and faced the prospect of war on the whole with calm determination and without panic; while at the same time the nation was animated by a remarkable spirit of unity, since Herr Hitler's arrogant brutality towards the Czechs hardened opinion against him even in quarters where formerly he had enjoyed some sympathy.

Meanwhile the Prime Minister continued to make desperate efforts to avert the impending catastrophe. On September 25 he sent Sir Horace Wilson over to Berlin to make a fresh appeal to Herr Hitler to stay his hand. On September 26, at midnight, after reading the speech just delivered by Herr Hitler at Berlin, he issued a statement saying that he could not abandon his efforts to save the peace, since it seemed incredible that the peoples of Europe who did not want war with one another should be plunged into a bloody struggle over a question on which an agreement had already been largely obtained. He reminded the Führer that the Czechoslovak promises had been made in the first instance to the British and French Governments, and declared that the British Government regarded itself as morally responsible for seeing that the promises were carried out, and would undertake that they should be carried out with reasonable promptitude, provided that the German Government would agree to the settlement of terms and conditions of transfer by discussion and not by force. Obtaining no response from the Führer, as a last resort he appealed to Signor Mussolini to use his influence to bring about a new conference.

On the same night Mr. Chamberlain broadcast a message to the nation and the Empire in which he repeated his belief that, if only time were allowed, it ought to be possible for the arrangements for transferring the territory that the Czech Government

had agreed to give to Germany to be settled by agreement under conditions which would assure fair treatment to the population concerned. He admitted, however, that he found the attitude of Herr Hitler "unreasonable," and he was not hopeful as to the prospects of peace. But he insisted that if war had to be fought, it must be on larger issues than the preservation of a small nation confronted by a big and powerful neighbour, however much they might sympathise with her. If he were convinced, for instance, that any nation had made up its mind to dominate the world by fear of its armed force, then he should feel that it must be resisted.

In this atmosphere of suspense, Parliament at last met on September 28, the summons having been issued by the Speaker only the preceding day. Before a House of Commons, crowded to its utmost capacity, Mr. Chamberlain at length lifted the veil from the mysterious happenings at Berchtesgaden. At the first conversation, he said, which lasted for three hours, and at which only an interpreter (a German) was present besides Herr Hitler and himself, he very soon became aware that the position was much more acute and much more urgent than he had realised. In courteous but perfectly definite terms, Herr Hitler made it clear that he had made up his mind that the Sudeten Germans must have the right of self-determination and of returning if they wished to the Reich. If they could not achieve this by their own efforts, he said, he would assist them to do so, and he declared categorically that rather than wait he would be prepared to risk a world war. If, however, he could obtain an assurance there and then that the British Government accepted the principle of self-determination, he would be quite ready to discuss ways and means of carrying it out. To this he (Mr. Chamberlain) had replied that he was not in a position to give there and then such an assurance, but he would return at once to consult his colleagues if Herr Hitler would promise to refrain from active hostilities until he had obtained their reply. Looking back, continued Mr. Chamberlain, he had no doubt that his visit alone prevented an invasion for which everything was ready, and that the sole hope of a peaceful solution was to grant the right of self-determination to the Sudeten Germans, and that quickly. A similar conclusion, he added, had been reached by Lord Runciman, who returned to London at the same time, though he also recommended the neutralisation of Czechoslovakia with guarantees from the Great Powers.

As a result of the British Cabinet's meetings and the discussions with the French Ministers on September 18, it was agreed that the only means of finding a solution which would not bring about a European war was to accept the principle of self-determination, and accordingly the British and the French Ministers in Prague were instructed to inform the Czechoslovak Government that the further maintenance within the boundaries of the Czechoslovak



State of the districts mainly inhabited by Sudeten Germans could not continue any longer without imperilling the interests of Czechoslovakia herself and of European peace. They were therefore urged to agree immediately to the direct transfer to the Reich of all areas with over 50 per cent. of Sudeten inhabitants. An international body was to be set up to deal with questions like the adjustment of frontiers and the possible exchange of populations on the basis of the right to opt. The British Government at the same time undertook to join in an international guarantee of the new boundaries of the Czechoslovak State against unprovoked aggression, in place of the existing treaties with France and Soviet Russia.

Mr. Chamberlain then informed the House that during his stay in London the Government worked out with the French Government arrangements for effecting the transfer and for delimiting the final frontier. It was these he took with him to Godesberg. Herr Hitler declared that they were too dilatory and offered too many opportunities for further evasion on the part of the Czechs. This was the root cause of the breakdown of the negotiations at Godesberg, which in turn had rendered war imminent. In response to a pressing request from Signor Mussolini, Herr Hitler had promised to postpone action for twenty-four hours ; after that war seemed inevitable.

The Premier was about to conclude on this gloomy note when something happened which suddenly transformed the whole situation as if by magic. Sir John Simon handed to him a paper which he had himself shortly before received from Lord Halifax's secretary, and after looking at it for a few moments Mr. Chamberlain informed the House that Herr Hitler invited him to meet him at Munich the next morning along with M. Daladier and Signor Mussolini. Immediately members on the Ministerial side and many persons in the Strangers' Gallery rose and cheered wildly. When quiet had been restored, Mr. Chamberlain proposed that the debate should stand adjourned till he should have returned from Munich. Mr. Attlee and Sir Archibald Sinclair, forgetting all about their objections to the Berchtesgaden arrangement, agreed with alacrity. The only dissenting voice was raised by the Communist, Mr. Gallacher, who, manfully sticking to his guns, said that while no one desired peace more than he himself and his party, it must be a peace based on freedom and democracy, and not upon the cutting-up of a State, and he would not be a party to what was going on.

On September 29 Mr. Chamberlain made his third trip by air to Germany—this time to Munich, where he duly conferred with Herr Hitler, Signor Mussolini, and M. Daladier. Once more he showed how little reliance was to be placed upon his word. Although he had declared that the Berchtesgaden terms represented the limit of concession on his part, he now went

considerably further. True, he did not yield to all the demands contained in the German Memorandum. But the terms which he in the end allowed the Führer to impose upon Czechoslovakia were considerably harsher than those which had been contemplated at Berchtesgaden, and which already represented a complete surrender on the part of Britain and France.

Before leaving Munich, Mr. Chamberlain, jointly with Herr Hitler, signed a brief declaration which was intended to infuse a new spirit into Anglo-German relations. It contained three clauses. The first laid down that the question of Anglo-German relations was of the first importance for the two countries and for Europe. The second referred to the Anglo-German Naval Agreement as symbolic of the desire of the two peoples never to go to war with one another again. The third recorded the determination of the two signatories that the method of consultation should be the method adopted to deal with any other questions that might concern their two countries, and to continue their efforts to remove possible sources of difference and thus to contribute to assure the peace of Europe.

With the conclusion of the agreement at Munich the threat of war was for the time being removed from Europe. For the part which he had played in this achievement, Mr. Chamberlain received a magnificent ovation on his return to London on the next day (October 1), and tributes were showered upon him as on a great national hero. Not but what there was from the very outset a large section of the population which felt acutely and bitterly resented the shame and humiliation of England's share in the betrayal of Czechoslovakia, and was filled with the direst apprehensions as to the outcome of the new position created in Europe. But for the moment the larger—and certainly the more demonstrative—portion of the public had room for no other feeling save intense relief at the removal of the war danger, and it expressed its thankfulness to the author of that relief in no uncertain fashion.

On the same day the public was allowed to learn for the first time that the Cabinet had been by no means unanimous in support of the Prime Minister. Mr. Duff Cooper, the First Lord of the Admiralty, tendered his resignation—which was promptly accepted—on the ground that “he profoundly distrusted the foreign policy which the Government was pursuing and seemed likely to continue to pursue.” At the same time it was reported on good authority that other Ministers also were highly critical of Mr. Chamberlain, and rumours circulated that further resignations might follow.

On October 3 Parliament met to resume the debate which had been interrupted five days before to permit of the Premier's visit to Germany. In the House of Commons Mr. Duff Cooper first made a statement on his resignation from the Government.

It had, he said, been his idea for some time that the one way to stop the outbreak of a European war was for Britain to make it quite clear to the German Government that in such an event she would be arrayed against her. Such a plain statement, accompanied by appropriate action, the Premier had consistently refused to make. The nearest approach to it—and even that was taken with some reluctance—was the mobilisation of the Fleet just before the Premier's visit, and it was probable that this had had more effect upon Herr Hitler than the Premier's arguments. Now that the terms had been concluded at Munich, he found himself totally unable to accept them. In spite of the modifications made in the Godesberg Memorandum, Czechoslovakia was after all to be invaded, and the German Government, having got their man down, were not to be deprived of the pleasure of kicking him. Nor could he place any confidence in the promises of Herr Hitler to abstain from aggression in the future as the Prime Minister seemed to do.

The Prime Minister followed with his defence of the Munich Agreement. He based it on two grounds. One was that the transfer of the predominantly German areas in the Sudetenland to the Reich had been decided on already and accepted by Czechoslovakia. The other was that action had to be taken quickly if a conflict was to be prevented which might have precipitated a catastrophe. Mr. Chamberlain made great play with the modifications introduced at Munich into the Godesberg Memorandum, claiming that they had substituted for an ultimatum a process which was to be carried out largely under the supervision of an international body. He expressed his profound sympathy for the Czechs "in the hour of their national grief and loss," and his admiration for the restraint, dignity, and discipline they had shown "in face of a trial as great as any nation had ever been called upon to meet," and announced that as a practical token of their sympathy the Government were arranging at once for an advance of 10,000,000*l.* to the Czech Government for their immediate needs. After paying compliments to the other members of the Munich Conference and to President Roosevelt for their peace efforts, he flourished before the House the declaration of pacific intentions which he had brought back from Herr Hitler, claiming for it "a significance which went far beyond its actual words." At the same time, however, he warned the House that the Munich Agreement afforded them no ground for relaxing their rearmament programme at the present moment, and he merely held out a vague hope that it might in some undefined way open up opportunities of approaching the subject of disarmament in the future.

Mr. Attlee, who followed, while expressing relief that war had been averted for the time being, did not conceal either his sense of humiliation at the method employed or his gloomy

forebodings for the future. They had witnessed, he said, a victory not for reason and humanity but for brute force. They had seen a gallant, civilised, and democratic people betrayed and handed over to a ruthless despotism. They had seen the cause of democracy, which was the cause of civilisation and humanity, receive a terrible defeat. Herr Hitler had successfully asserted the law of the jungle and by doing so had struck at the roots of the life of all civilised peoples. Therefore many people could not feel very happy at the present situation, fearing that there had been an immense victory for force and wrong. Sir A. Sinclair also declared that there was nothing in the Prime Minister's speech to justify the easy optimism which the newspapers had been spreading in the previous week, and he expressed anxiety lest the Government were "wobbling into war."

It had been originally intended that the debate should last two days, but so many members desired to speak that it was extended over three sittings and a half. It soon became apparent that, while many members of the Conservative Party were critical of Mr. Chamberlain, there would be no general revolt among the Ministerialists. Mr. Eden, at an early stage of the debate, expressed his disapproval of Mr. Chamberlain's policy, and his example was followed by a number of Conservative speakers. On the other hand, Mr. Chamberlain received the support of the pacifist group in the Labour Party, and, to the general surprise, of Mr. Maxton, who approved of the Prime Minister's action though not of his political philosophy. With the exception of the pacifist group, all speakers, whether they supported Mr. Chamberlain or opposed him, were agreed that further rearmament was urgently necessary.

On the third day of the debate (October 5) Sir John Simon formally asked the House to approve the action taken by the Government in the recent emergency. He asserted that no one could read Lord Runciman's report without feeling that a settlement in Czechoslovakia without altering boundaries had become impossible. The problem of the peaceful adjustment of frontiers where substantial territories were involved and antagonisms of race and rival loyalties arose had never yet received its due solution or consideration. The problem of the change of frontiers and the transfer of territories was in the modern world the chief remaining cause from which wars might arise. While he admitted that the solution which had been obtained in the present case was open to all sorts of challenges and criticisms, he asked them to recognise the real character of the difficulties to be solved, and how seldom in the modern world the problem had been solved without war. It was true that the agreement at Munich had been reached under the pressure of the alternative of instant invasion, but was that a reason for rejecting it and preferring that Europe should be plunged into war? He did not think so.

Sir John Simon went on to allay certain apprehensions expressed by the Opposition by declaring that the Government had no idea of entering into an exclusive Four-Power Pact on the lines once suggested by Signor Mussolini, or of trying to exclude Russia from any future settlement in Europe. With regard to the future, he did not express any confident optimism, but he said that if past hopes had been dupes future fears might be liars, and he called on them to support the Prime Minister in his work for peace. Sir John Simon's speech was by common consent accounted the best defence put forward for the Government, and was loudly acclaimed by the Ministerialists, although of all the speeches made by Government spokesmen it was the most qualified in its approval of Mr. Chamberlain's action and made the greatest concessions to the Opposition case.

A bitter attack on the Government was made by Mr. Churchill, who declared that Britain had sustained a total and unmitigated defeat, and gloomily foreboded her fall into the orbit and influence of Nazi Germany, with the loss of civil liberty and freedom of speech. On behalf of the Labour Party Mr. Greenwood, in a moderate speech, moved an amendment asking the House not to approve a policy which had led to the sacrifice of Czechoslovakia under the threat of armed force and to the humiliation of Britain and its exposure to great dangers, and to call upon the Government to take steps to summon a world conference to consider the removal of economic and political grievances which imperilled peace. In replying to the debate Mr. Chamberlain said that as regards future policy there were two possible alternatives. One was to take the view that any sort of friendly or trustful relations with the totalitarian States was impossible, since they were bent on the domination of Europe and the gradual destruction of democracy. On that view war had got to come, and they must not only arm themselves to the teeth but must make military alliances with any other Powers whom they could get to work with them and hope that they might be allowed to start the war at a moment suitable for themselves. The alternative was that they should seek to avoid war by analysing its possible causes and trying to remove them in a spirit of collaboration and goodwill. The Opposition, he added, seemed to be seeking the same end by means of a world conference, but he thought it was no use calling such a conference until they were certain that it would not prove a failure.

On a division being taken, the amendment was defeated by 369 votes to 150, and the motion carried by 366 votes to 144. About thirty Conservatives—including most of the best-known names in the party outside of the Government—abstained from voting, but on the other hand the pacifists of the Labour Party and some members of the Independent Labour Party supported the Government. Mr. Chamberlain received an ovation from

his followers and from the Strangers' Gallery on leaving the House.

In the House of Lords the debate on the Munich Agreement was opened by Lord Halifax and continued three days. Lord Snell, the Labour leader, confessed to a deep sense of misgiving at what had happened, but the sharpest criticism of the Government came from the Liberal, Lord Lytton, who declared that he differed from them on a matter of conscience, and the Conservative, Lord Lloyd, who complained bitterly of the sacrifice of justice and honour which had been committed. Other speakers, however, including the Archbishop of Canterbury and Viscount Samuel, managed to square the proceeding with their conscience, and the feeling of the House was so obviously in favour of the Prime Minister that the Opposition did not ask for a division.

On the last day of the debate (October 6) Mr. Attlee requested of the Prime Minister that while the House was sitting it should be allowed to discuss a number of questions besides the Munich Agreement, but closely connected with it, namely, the proposed guarantee to Czechoslovakia, the loan to that country, the expenditure incurred by Britain during the crisis, and air-raid precautions. The Prime Minister, however, decided on one ground or another that all these questions could wait till the House assembled again on November 1. When he formally moved the adjournment to that date, Mr. Attlee insisted that it was important for the House in such a period of crisis to be kept in continuous session, while Sir A. Sinclair suggested that it should meet for a couple of days on October 18—a proposal which was supported by Mr. Churchill. Mr. Chamberlain, however, refused to see any necessity for such a step, especially as the Speaker was empowered to summon Parliament at any time in case of emergency, and on being put to the vote the motion for the adjournment was carried by 313 votes to 150.

The next three and a half weeks in fact passed by without producing any startling or unexpected development. Herr Hitler, it is true, proceeded to treat the concessions he had made at Munich as so much waste paper, and took practically all that he had claimed at Godesberg, and even more. No one, however, imagined that if Parliament had been sitting it would have been able to prevent him. Consequently no demand was raised by the Opposition for the summoning of Parliament before the date fixed; and the interval was spent both by them and by the Government in taking stock of the new international situation and formulating a plan of action for the future.

On the Government side this meant first and foremost an overhauling of the country's military preparations. It now became suddenly and painfully aware of the gaps in the national defences—gaps much more serious than the public had been allowed to know—and whereas a few months before Mr. Chamberlain

had spoken proudly of the country's "terrifying" strength, Government spokesmen now began to lay stress on its weakness in the air and its unpreparedness to resist aerial attack. Speaking at Sheffield on October 10, Sir John Simon declared that the Government had entered on a "vigorous, complete, remorseless and urgent survey" of the lessons of the crisis, and that they must organise their man-power without waiting until a crisis recurred. On the same day Mr. Hore-Belisha, speaking at the Mansion House, outlined a plan for the complete reorganisation of the Territorial Field Army, in such a way as to give it the same content and put it on the same footing as the Regular Army. And on October 20 Sir S. Hoare, speaking at Chelsea, frankly admitted his full share of responsibility for gaps and deficiencies that had made themselves felt in their air-raid precautions, and said that in future these would have to cover the whole field of home security and must be organised over the whole field of their national activities.

As an earnest of its intentions, the Home Office, on October 27, issued a memorandum outlining its plan for evacuation in war-time. The chief points in it were that evacuation should not be compulsory, save for military or other special reasons; that while production in the large industrial towns must be maintained, it was desirable to provide organised facilities for the evacuation of substantial numbers of people from certain industrial areas; that arrangements for the reception of persons who became refugees should be mainly on the basis of accommodation in private houses under powers of compulsory billeting; that the initial cost of evacuation arrangements should be borne by the Government, but that refugees who could afford to contribute to the cost of their maintenance should be expected to do so; and that special arrangements should be made for school children to move out in groups in charge of their teachers. Shortly afterwards the Ministry of Health set up an Evacuation Department to which were attached officials from the Board of Education, along with an Advisory Committee representing local education authorities and teachers.

Critics of the Government were not slow to point out its apparent inconsistency in professing on the one hand to take the peaceful professions of Herr Hitler at their face value and on the other hand in entering on a new competitive race in arms. Speaking at Edinburgh on October 24, Lord Halifax tried to defend the Government against this criticism. No one, he said, could pretend that any declaration between statesmen could of itself bring a remedy to all their ills. It was right to make the attempt to preserve peace by every means in their power, but no one could say for certain that they would succeed. They must face frankly the three possibilities that the future seemed to hold. The first was war. The second was armed peace. The third

was a peace of understanding. They wished to escape the first and achieve the third, but it might be that they would have to pass through the second stage to get there, just as Dante had to pass through purgatory to get to Paradise. Therefore while they should lose no opportunity of helping forward the results of the personal contacts established between Germany, Italy, France, and themselves at Munich, while they should grasp with both hands any chance of building the foundations of real peace, they should not be afraid to acknowledge the difficulties that had to be overcome and to face them squarely ; they needed the whole strength, moral and material, of the nation to enable them to maintain and discharge the responsibilities which seemed to have been providentially entrusted to their keeping.

The reaction of the Liberal Party to the Munich Agreement was indicated in a manifesto issued by the Executive of the Party Organisation on October 18. The actual results of the Government's policy were declared to be an armed and precarious truce, necessitating a colossal and instant expenditure on arms ; the betrayal and ruin of Czechoslovakia ; the surrender to Nazi Germany of the dominant position in Europe, with its inevitable menace to the freedom of all democratic peoples ; the breakdown of the strong combination of Powers which could have stemmed aggression and secured peace without war and without surrender ; the weakening and discrediting of the moderate elements in Italy and Germany ; the possible withdrawal and isolation of Russia ; and a grave decline of British influence in the councils of the world. The manifesto went on to outline a positive policy of which the chief features were the establishment of a Government capable of regaining the confidence of their own and other peoples ; the restoration of unity of purpose and action among all peace-loving peoples ; the removal of the causes of war, not by concessions to truculence but by justice to all peoples, in particular by reducing the barriers which were checking the peaceful influence of international trade ; and a united effort for self-defence, without inefficiency, profiteering, or one-sided sacrifice. For these reasons the Liberal Party declared that it was ready to subordinate mere party considerations and to co-operate whole-heartedly with men and women of all parties who realised the gravity of the time.

A practical demonstration of this co-operation was at this moment being given in the constituency of Oxford City, where a vacancy had just occurred. At the last election a Conservative had been returned with a majority of over 6,000 over his Labour opponent. On the present occasion it had been the intention of both the Labour and Liberal Parties to contest the seat, but to emphasise their hostility to Mr. Chamberlain, and if possible to wrest the seat from the Government, they decided to unite forces, in spite of the disapproval of the Labour Party headquarters.



Both the Labour and Liberal candidates stood down in favour of Dr. A. Lindsay, the Master of Balliol, who, although a member of the Labour Party, consented to stand as an Independent Progressive, and on the understanding that if elected he would receive no party Whip.

On October 26 Mr. Lloyd George, addressing a Free Church gathering, added his voice to the critics of the Munich Agreement. He explained that the reason why he had not spoken in the House of Commons debate was because he wanted to give the country the fullest possible opportunity of seeing how much material was available for forming an alternative to the present Government. Already, he said, the relief which they had at first experienced on having escaped, for a time at least, the horror and squalor of war was beginning to be suffused with a sense of shame that they had purchased peace at the price of conscience and honour. This was only one of a series of episodes of the same kind which had occurred more especially during the past seven years where they had subordinated honour to a quiet life ; and yet, while they had lost honour, they had not gained tranquillity. They had only one excuse for what they had done, and that was that years of fussy, futile, and very expensive preparations for the defence of the country had ended in muddle, so that they were not ready to defend themselves, let alone rescue others. But was incompetence a justification for bad faith ? Mr. Lloyd George complained that in the welter of broken pacts and covenants he missed the traditional voice of the Free Churches which he used to hear in a previous generation, and he gloomily prophesied that Britain, after forfeiting honour, the respect of the world, and its own self-respect, would in the end be involved in war, and find herself without friends.

The new rearmament drive brought up once more the question of creating a Ministry of Munitions, or a Ministry of Supply, or both. Mr. Hore-Belisha and Sir S. Hoare strongly pressed for the creation of one or the other, and for a considerable time the Premier was unable to make up his mind. For this reason it was not till October 27 that he at length filled the vacant office of First Lord of the Admiralty which had been left vacant by the resignation of Mr. Duff Cooper. The post was given to Earl Stanhope, President of the Board of Education, who was in turn succeeded by Earl de la Warr, the Lord Privy Seal. Four days later Lord Hailsham, the President of the Council, resigned on account of ill-health, and he was succeeded by Lord Runciman. At the same time the office of Lord Privy Seal was given to Sir J. Anderson, a distinguished ex-Indian Civil Servant, who had been chiefly responsible for the evacuation scheme adopted during the recent crisis. The functions of the Secretary for the Dominions, a post which had recently become vacant by the death of Lord Stanley, were taken over for the time being by

Mr. MacDonald, the Secretary for the Colonies. Further changes were unnecessary, as the threatened resignations had not materialised; and as no new Ministry was created, the number of Cabinet Ministers was reduced from twenty-two to twenty-one. The appointment of Sir John Anderson was generally welcomed; but the failure to bring more new blood into an admittedly weak administration was loudly criticised by the Government's opponents, and even *The Times*, staunchest of Mr. Chamberlain's supporters, expressed mild disappointment.

On September 28 the Select Committee which had been inquiring into the Sandys case (*vide* p. 54) issued its first report. The Committee found that the trouble began with a letter written by Mr. Sandys to the Secretary of State for War on June 17, in which he said that he wished to give the Minister an opportunity to contradict privately the statements contained in the draft Parliamentary question which he enclosed. This letter was described by the Committee as "somewhat disingenuous," on the ground that, if Mr. Sandys wished to discuss the matter orally with the Minister, he should have said so distinctly. The Prime Minister was entirely exonerated. The chief blame was laid on the Attorney-General, first for telling the Secretary of State for War that he and not the Secretary was the proper person to see Mr. Sandys—though the Committee thought it "unfortunate" that Mr. Hore-Belisha had followed this advice instead of that of the Prime Minister—secondly, for mentioning to Mr. Sandys the Official Secrets Act if he had no intention of putting it into force. Excuse was found for the Attorney-General on the ground of the great pressure of work to which he was subjected, and which did not allow him adequate time to consider intricate matters. With regard to the summoning of Mr. Sandys before the military court of inquiry, the Secretary of State for War was held to be at fault for not having, as head of the Army Council, suspended the proceedings of the court while Parliament was discussing the question.

A draft report which had been supported by four out of the thirteen members of the Committee, and which was published on October 18, condemned the conduct of the Attorney-General in much stronger terms. It concluded with the following words: "The Attorney-General in our opinion entered on the interview with Mr. Sandys without realising the full issues that it might raise. These issues reach down to the foundations of the Parliamentary system. Our conclusion is that the conduct of the Attorney-General is to be condemned as a gross violation of the proper and traditional relationship between members of Parliament and Ministers of the Crown."

Parliament met on November 1 to wind up the session, but instead of confining itself to merely formal proceedings, as in previous years, it spent three days in discussing some of the

questions of moment which were agitating the public mind. In the House of Commons Mr. Attlee opened by calling attention to what had been done in Czechoslovakia after the Munich Agreement. He pointed out that the Czech frontiers as delimited by the International Commission were worse even than the Godesberg terms, and asked what was the position with regard to the British guarantee to the new Czechoslovakia. He also entered a plea for a more considerate treatment of refugees. The Prime Minister in reply admitted that many things had followed Munich of which none of them would approve and which all of them would wish to have been done differently. The solution which had been carried out was one with which they might justly find fault, but they had to accept it because they knew what the alternative was. In regard to the guarantee, he said that the position could not be cleared up until the whole question of minorities in Czechoslovakia had been settled. Concerning the refugees Mr. Chamberlain spoke sympathetically, but he made no definite promise.

With regard to the general international situation created by the Munich settlement, Mr. Chamberlain was still able to speak with complacency. He refused to see any threat to British interests in the German trade drive towards the south-east which had already started, and considered German economic domination in that part of Europe as perfectly natural and reasonable. He admitted that British defences against air attack needed to be reorganised, and announced that this would be the particular task of the new Lord Privy Seal, who would be in effect a Minister of Civilian Defence. But he did not consider that the pace of rearmament needed to be materially quickened, and for this reason refused to entertain the idea of appointing a Minister of Supply. Nothing, he said, was further from their minds than entry upon a new armaments race, and he expressed himself as confident that if the declaration which he and Herr Hitler had signed at Munich were to be properly and suitably followed up, there was the chance of a new era of peace in Europe. To this Sir A. Sinclair brusquely replied that the Prime Minister's policy was one not of peace but of scuttle and defeatism, and that it was merely storing up for the successors of the present Government the hard choice between war and complete submission to the dictators' will. Two or three Conservative speakers also were highly critical of Mr. Chamberlain's activities, but the feeling of the House was not tested by a division, the Labour Party having decided to launch its main attack on the Government's mis-handling of the defence preparations.

In the Upper House at the same time Lord Strabolgi brought forward a motion calling for an independent committee of inquiry to be set up to examine into the state of the national defences, with particular reference to air-raid precautions. The motion

was not strongly supported, but most speakers took the view that the Government was not dealing adequately with the situation, and several, including Lord Swinton, advocated the institution of a Ministry of Supply and a compulsory national register. On behalf of the Government it was contended that a committee of inquiry would interfere with the inquiry which they were already conducting on their own behalf, and with the actual work of rearmament, which was constantly gaining momentum ; and Lord Strabolgi in the end withdrew his motion.

On the second day of the session (November 2), the Prime Minister moved in the House of Commons "that this House welcomes the intention of the Government to bring the Anglo-Italian Agreement into force." Immediately after Munich, rumours had been current that the Premier was contemplating a step of this kind, but no official announcement had been made on the subject. The motion therefore came somewhat as a surprise, and Mr. Attlee complained strongly of the short notice at which the House was being asked to come to a decision on this point. To this Mr. Chamberlain replied that he considered the motion as a step towards the appeasement of Europe which was generally desired, and he therefore thought it as well that the matter should be disposed of at the earliest possible date. In supporting the motion he said that, since the agreement had been made on April 16, there had been no differences between Britain and Italy ; but it was clear that if the improvement in their relations was to be maintained, there must be no further delay in putting the agreement into force. The question they had now to consider was whether the condition which had been laid down as essential, namely a settlement in Spain, had been fulfilled. Since he had last spoken on the subject on July 26, two things had happened. One was that all the Powers represented on the Non-Intervention Committee, including Italy, had accepted the British plan for withdrawal of volunteers from Spain ; the other was that 10,000 Italian troops had actually been withdrawn, while Signor Mussolini had given him an assurance that the rest would be withdrawn as soon as the non-intervention plan came into operation, and both he and Herr Hitler had assured him most definitely that they had no territorial ambitions whatever in Spain. After the events of September he was perfectly clear in his mind that the Spanish question was no longer a menace to the peace of Europe, and consequently that there was no valid reason why they should not now take a step which obviously would contribute to general appeasement.

On behalf of the Labour Party, Mr. Greenwood opposed the motion, chiefly on the ground that it was unjust to the Government in Spain. They were, he said, throwing Spain to the wolves in order to rehabilitate the shattered fortunes and rather tarnished prestige of Signor Mussolini, regardless of the consequences to

Spain and possibly to themselves. He also opposed the recognition of the Italian conquest of Abyssinia on the ground that that country was still holding out. Mr. Greenwood was supported by Mr. Roberts on behalf of the Liberals. Mr. Eden, who followed, subjected the situation in Spain to a close examination, and came to the conclusion that the essential condition for a settlement had not been fulfilled. Lord Wolmer also, while not opposing the motion, expressed his uneasiness at the Government's policy of constant concession to the dictators, and wanted to know where it would stop. Conservative criticism, however, was less vocal than in the debates on the Munich Agreement, and the motion was ultimately carried by 345 votes to 138.

In the House of Lords, Lord Halifax, in presenting the same motion on November 3, maintained that there was no intrinsic connection between the Anglo-Italian Agreement and the Spanish civil war, apart from that which arose from the fear that the war might lead to international complications. He also denied that the agreement had any lever value to make Italy desist from supporting General Franco. The question whether General Franco should receive belligerent rights had nothing to do with the agreement but was a matter for the Non-Intervention Committee. The motion was opposed by Lord Snell, who described the arrangement as based upon wrong and with no promise for the future peace and happiness of the world. In the division, however, he found only six supporters, against fifty-five who voted for the Government.

On November 3 the Labour vote of censure on the Government for its unpreparedness to protect the civil population when the country was brought to the brink of war was moved by Mr. Herbert Morrison, who pointed out the grave deficiencies which had been revealed in the matters of shelters, fire-fighting equipment, anti-aircraft guns, and evacuation arrangements. He admitted that much had been done in the last nine months, but he criticised the Government strongly for not having commenced their preparations earlier. The Home Secretary did not deny most of the charges, but assured the House that the deficiencies would be remedied as rapidly as possible. The Minister of War also admitted the inadequacy of the anti-aircraft equipment, but he excused it on the ground that up to not very long ago the belief had been current that the gun had no effectiveness against modern aeroplanes, and he asserted that, in spite of all deficiencies, if the need had arisen, they would have rendered quite a good account of themselves. On behalf of the Government, the Home Secretary moved an amendment stating that the House, while taking full note of the deficiencies in civilian defence, welcomed the decision to entrust the responsibility for the system to a Minister appointed for the purpose, and approved the Government's determination to complete with the utmost speed

the measures necessary to provide for the country's needs. The Labour motion was defeated by 335 votes to 130, the Ministerialists apparently considering that the erring Ministers had by open confession and promises to reform made full amends for their shortcomings. The amendment was then allowed to pass without a division, the Opposition considering that the Government were by it sufficiently censuring themselves—not that this brought their resignation any nearer. On the next day Parliament was prorogued.

On October 29 the Labour Party issued a manifesto setting forth its plans for dealing with "the present dangerous situation," for which, it said, the present Government must bear full responsibility. The manifesto was entitled "A supreme national effort for peace," and insisted in the first place that the national defences should be put in proper order and the country be made so far as possible safe from air attack. For this purpose it demanded that A.R.P. should rank in importance with the other three defence departments; that powerful and effective defence by anti-aircraft guns and balloon barrage should be provided for all crowded centres of population; that the relative weakness of the air force should be remedied as soon as possible, and the number of fighters greatly increased. It further called for a Ministry of Defence, the organisation of man-power, but on a voluntary basis, suppression of profiteering, heavier taxation on large incomes and no reduction of purchasing power of the mass of the people or of the social services, and increase of the home production of food. In foreign policy Britain should take the lead in an endeavour to rebuild the peace system on a new basis, by the co-operation of free peoples. The colonial question in particular should be solved not by redistributing territories among competing Powers, but by observing the principle of trusteeship in the interests of the colonial peoples and of all the world. But the first condition of realising these aims was that there should be another Government, "capable of mobilising the strength of a democratic people for the service of its ideals of peace, justice, and liberty."

## CHAPTER IV.

### MORE REARMAMENT.

PARLIAMENT met again on November 8 for the opening of a new session. The chief feature of the King's Speech was an announcement that the King and Queen were hoping to go to Canada next summer, and that they had accepted the invitation of the President of the United States to visit that country before the conclusion of their tour. This news was received with unalloyed

satisfaction both by Parliament and by the country. In regard to foreign affairs it was stated that the Government "would do all in their power to promote the development of good understanding in the spirit of the joint Anglo-German declaration made at Munich"; but what precise action this might involve was not indicated. Meanwhile the measures already put in hand for remedying the deficiencies in the military and civil defence preparations which had been revealed in the recent emergency would be accelerated and supplemented. The hope was expressed that the active furtherance of peace in Europe, which was the constant aim of the Government, would lead to a wider spirit of confidence and supply a fresh impulse for expansion in trade, industry, and employment; and a promise was made that the Government would press forward with better housing, both urban and rural, and proceed with the development of the educational services. The campaign for the improvement of the public health would be continued, and in particular proposals would be submitted for the earlier and more effective treatment of cancer. Further steps would be taken for the support of agriculture, and something might be done for the assistance of the cotton industry. Of the other measures foreshadowed, the most important was one for reorganising Scottish administration and centralising the Government departments in Edinburgh.

In the debate on the Address Mr. Attlee criticised the Speech as completely failing to realise the gravity of the situation confronting them, and as containing no indications of any genuine constructive programme, or any proposals either political or economical for bringing peace to a distracted world. In regard to defence, he complained that there was no sign that the Government proposed to make any change in the system which had brought them to their present pass; while in the economic sphere he protested that the Prime Minister seemed quite unaware of the danger which threatened Great Britain from the growth of autarky in the world. The references to the social services and the Special Areas he characterised as extremely vague, and while he welcomed some of the minor measures promised, he described the programme as a whole as that of a weary, tired, and feeble Government which kept changing and shuffling Ministers without getting any increased strength.

The Prime Minister, in reply, strongly deprecated the suggestion that the defence plans had broken down in the recent crisis, and maintained that at any rate the nation was much better prepared than it had been in 1914. Defects existed in the military systems of all countries, but in democracies they were more openly admitted. Mr. Chamberlain spoke hopefully of trade prospects, and emphasised the fact that British trade with countries subscribing to the Ottawa Agreements, and with

other countries with which they had agreements, had been least affected by the trade recession. On the social side he declared that housing, slum clearance, and the elimination of overcrowding would proceed unabated; a frontal attack would be made upon cancer; and a comprehensive inquiry was being conducted on nutrition.

The second day of the debate on the Address was devoted to foreign affairs. The discussion was largely a repetition of the debate on the same subject in the previous week, and showed that neither side had as yet moved from the position then taken up. Sir Stafford Cripps and Mr. Lloyd George insisted that the Munich settlement represented a surrender on the part of Britain, and did not spell peace; Mr. Butler, on behalf of the Government, insisted that it represented the subordination of force to methods of conciliation, and that it did spell peace; and he still undoubtedly had the majority of the House with him.

In his Guildhall speech at the Lord Mayor's banquet on the same night, Mr. Chamberlain devoted himself chiefly to a defence of his foreign policy. He denied that there had been either a victory or a defeat for either side at Munich, and expressed his firm belief that the foundations had been laid there for more peaceful conditions in Europe. He said that he wanted the Government to be a "go-getter for peace." Unlike Mr. Lansbury, however, to whom also the title might with justice have been applied—Mr. Lansbury had some time previously personally interviewed both Herr Hitler and Signor Mussolini, and pleaded with them to adopt a more pacific policy—Mr. Chamberlain rejected the method of unilateral disarmament, and saw no inconsistency between pacifism and rearming. As was to be expected, the speech met with a warm reception inside the Guildhall, but a much colder one outside.

While Mr. Chamberlain was content to put forward the preservation of peace as the all-sufficient justification for the Munich settlement, other members of the Government felt impelled to resort to other pleas, not easy to reconcile either with one another or with plain fact. Some, while admitting that the settlement was a surrender to *force majeure*, excused it on the ground that England was not prepared to face a war; others would not admit this for an instant, and maintained that the settlement was an act of justice. One Minister, Lord Winterton, tried to lay the blame for the abandonment of Czechoslovakia on Russia, which he charged with having given ambiguous answers to British and French inquiries. For this statement he was taken to task by the Russian Ambassador, and after some controversy he withdrew the allegation.

On the third day of the debate on the Address Mr. Lees-Smith, a Labour member, called attention to the weakness of the Air Force in relation to the tasks that might devolve on it in the event



of war. The Minister for Air, in reply, stated that under the existing system the expansion of the Air Force was proceeding with great rapidity in all branches. The expanded programme of 1,750 first line aircraft announced by his predecessor would be achieved by March, and they would be prepared for all eventualities by 1941. This meant that the Air Estimates for next year would probably be in the neighbourhood of 200,000,000*l.*, and in the following year they might be higher still. The Minister laid stress upon the predominantly defensive nature of their Air Force preparations, one sign of which was that the highest priority in future would be given to the strengthening of the fighter force, which was designed to meet the invading bomber in the air. Some of their supplies, he informed the House, would come from Canada. The Minister's statement did not entirely satisfy the House, and there were some demands for a Ministry of Supply.

On the same day the Minister for Air informed the House that the Government had come to the conclusion that the best way to meet the complaints brought against Imperial Airways, and to develop civil aviation (*vide* p. 21), was to merge that body with British Airways, and that legislation would at an early date be introduced for the purpose. It was proposed that the undertakings of the two companies should be acquired by a corporation which should obtain funds by the issue of fixed interest stocks guaranteed by the Government, and that failing agreement the price should be determined by independent arbitration.

On November 14 Mr. Pethick-Lawrence moved a Labour amendment to the Address regretting the absence in the King's Speech of any reference to the serious problem of unemployment, and calling for a fuller use of the resources of the country, and a more equitable distribution of its wealth. On the strength of a statement made by the Minister of Health in a public speech on October 27—with which great play had already been made at by-elections—he charged the Government with intending to cut down the social services in order to find money for their rearmament programme. Mr. Elliot, in reply, categorically denied that the Government had any such intention. At the same time he admitted that it would be idle to deny that if they were to spend their money on military preparations, there could not be the same amount available for relieving the unemployed and similar social work. Dealing with the Government's programme and record, the Minister stated that the progress of housing continued unabated, the figures for the last month constituting a record. Slum clearance, the relief of overcrowding, and the reconditioning of rural cottages, were also proceeding apace. The material conditions in schools were being steadily improved, and plans in relation to schools were being passed at the rate of 200,000*l.* a year. The scheme for providing milk

in schools had been a great success, and last year 200,000 more children were drinking milk under the scheme. Thus if the picture of the social life of the nation did not call for complacency, neither did it call for despair or disparagement. The amendment was ultimately defeated by 341 votes to 151.

In the course of the debate a number of speakers from all parties expressed themselves in very pessimistic terms with regard to the condition of agriculture in England. Even supporters of the Government could see in its measures on behalf of agriculture nothing more than palliatives which were just keeping the industry alive. The Minister of Agriculture rejected the remedy of nationalisation proposed by a Labour speaker, and ignored that of thoroughgoing protection suggested by a Conservative. He admitted that the task of rehabilitating agriculture was a heavy one, and would not be finished that session. They must therefore adopt the common-sense attitude of seeking something they must do and getting on with it ; and he therefore asked for the collaboration of the House in bringing to a satisfactory conclusion the Bills dealing with the wheat, milk, and poultry industries which were mentioned in the King's Speech.

On November 17 the House of Commons at last discussed formally the question of a Ministry of Supply, which had so often obtruded itself into recent debates in both Houses. Sir H. Seely, on behalf of the Liberal Party, moved an amendment to the Address calling for the creation of a Ministry of Supply, "both to secure efficiency and to prevent waste and profiteering." He was supported by Mr. Attlee and Mr. Churchill, while Mr. Duff Cooper declared that he had an open mind on the subject. Practically all speakers in the debate, whether they favoured the proposal or not, considered that the pace of rearmament needed to be quickened. Sir T. Inskip, in opposing the proposal on behalf of the Government, laid stress on the fact that industrial circles did not desire such a Ministry—certainly not in peace time. He claimed that the programme on which they had entered had been completed up to its present stage, and denied that a Ministry of Supply could have produced better results in any branch. Whatever deficiencies there might have been, he said, they had gallant and efficient forces which, though incomplete, were capable of giving an aggressor an answer that he might rue.

Mr. Chamberlain, in closing the debate, maintained that no case had been made out for a Ministry of Supply. The Government, he said, had taken to heart the lessons of the last war, and knew how to prevent profiteering ; there had been so far, at any rate, a sufficient supply of raw materials and half-finished goods both for the services and for industry ; and the Departments had been able to arrange amicably for the sharing of skilled labour. Recognising, however, how important it was

that the public should have confidence in the Government, he promised to set up a new Advisory Committee of business men to consider complaints with regard to contracts and similar questions. Referring to a proposal made by Mr. Churchill—not for the first time—that the state of the country's defences should be discussed in a secret session, in which members could state freely what they knew, he said that the Government would also like to speak more freely, but a secret session was inadvisable because it could not be really secret, and reports of it—whether accurate or not—were pretty sure to appear in the Press.

Mr. Chamberlain's arguments failed to carry conviction to his critics, and there was little doubt that many of his own supporters, had they been given a free hand, would have voted against him. The Government, however, took the precaution of making the question one of confidence, with the result that party loyalty once more overrode conviction, and the amendment was defeated by 326 votes to 130. A few weeks later a panel of six prominent business men was set up for the purposes indicated by Mr. Chamberlain in his speech.

Shortly afterwards (November 29) the Chancellor of the Exchequer informed the House that by the end of the year there would have been expended on rearmament, out of the total borrowing of 400,000,000*l.* authorised by Parliament, a sum of 180,000,000*l.*, leaving 220,000,000*l.* still available from the same source. He now warned the House, in order to remove uncertainty as far as possible (though in fact little uncertainty was felt), that this would not be sufficient, and that it was his intention next year to seek further powers to borrow for rearmament.

On November 9 the Government issued a statement outlining a new departure with regard to Palestine. The report of the Palestine Partition Commission sent out earlier in the year (*vide* p. 24) had now been received. All four of its members advised against the scheme of partition suggested by the Royal Commission in the preceding year, and adopted in principle by the Government, but they were unable to agree on any alternative scheme. The Government therefore decided to drop the partition scheme, and, as a first step towards finding an alternative scheme, to summon immediately a conference in London of Jewish and Arab representatives, including those of neighbouring States, to discuss future policy. If agreement were not reached within a reasonable time, they would take their own decisions. Meanwhile they would continue their responsibility for the government of the whole of Palestine.

On November 24 Mr. M. MacDonald, the Secretary of State for the Dominions and Colonies, formally brought to the notice of the House of Commons the decision of the Government to summon an Arab-Jewish Conference to discuss the Palestine problem. He intimated that it was the intention of the Govern-

ment to make Palestine a national home for the Jewish people, but to do this in such a way as to allay the apprehensions of the Arabs that they would be reduced to a subject position. The task, he admitted, was one of great difficulty, but it was also one of supreme importance, and one in which Great Britain, for the sake of her reputation as a ruling Power, could not dare to fail. The House showed itself to be in agreement with the Minister's aims, but opinions naturally differed as to the relative importance of the Jewish and the Arab claims. On the whole the partisans of the Jews were distinctly more in evidence, their cause being vigorously espoused by Mr. H. Morrison, Sir A. Sinclair, and Mr. Churchill, the last of whom criticised the British administration of Palestine in no measured terms.

On December 8 the House of Lords discussed the proposed conference on Palestine. A number of speakers, led by Lord Snell, welcomed the proposal, and expressed relief that the idea of partition had been dropped. The British administration of Palestine again came under severe fire. Lord Dufferin and Ava, the Under-Secretary for the Colonies, stated that the Government, while it had ideas of its own on the matter, would not restrict discussion in any way, and would be prepared to accept recommendations of the conference even if these involved an alteration in the Mandate.

On November 16 the Home Secretary introduced in the House of Commons a Criminal Justice Bill, embodying important reforms in the penal system of Great Britain. The subject of prison reform was one to which Sir Samuel Hoare had devoted great attention ever since his assumption of the office of Home Secretary, and this Bill represented an important step forward in his efforts to bring about a more enlightened treatment of crime and criminals. Under the Bill the terms "penal servitude," "convict," "convict prison," "hard labour," and "criminal lunatic," which had already lost much of their original meaning, were abolished. Two new types of prison sentences were proposed. One was called "corrective training," and was to be for not less than two and not more than four years for persons between 21 and 30. The other was called "preventive detention," and was to be for not less than two and not more than four years for persons over 30, but up to ten years on certain types of offenders with long criminal records. These new sentences were to be imposed in lieu of and not in addition to sentences of imprisonment. Corporal punishment was to be abolished, save for attacks on prison officials. In the punishment of young offenders even greater changes were proposed. For dealing with these there were to be established remand centres, regional remand homes for "problem" children, and "Howard Houses" for offenders between 16 and 21, the ultimate object being the abolition of sentences of imprisonment on young children by courts of summary jurisdiction.

On November 29 the Home Secretary moved the second reading of the Criminal Justice Bill in the House of Commons. He claimed that the Bill was in the direct line of the work done in the past for the reclamation of the prisoner and the captive by such noted reformers as John Howard, Jeremy Bentham, Elizabeth Fry (his own great-great aunt), Evelyn Ruggles-Brise (the founder of Borstal treatment), and Sir Robert Peel. While the last-named had sought to humanise prison treatment, this Bill attempted to provide alternative methods to imprisonment for dealing with the offender. This was particularly the case with the juvenile offender, for whom unquestionably prison was in all circumstances an unsuitable place. While the object of the Bill in dealing with this class was to prevent them growing into criminals, in dealing with persistent offenders it sought rather to protect society against pests who continually inflicted much suffering on their fellow-men and women. In fact the angles from which he attempted to approach the problems of crime were those of prevention and reformation, not of retribution and deterrent punishment, which were the remnants of a former period. The abolition of such terms as penal servitude and hard labour was more than a mere change of name; it was the outward and visible sign of the new outlook which most of them possessed upon these problems. Consistently with this attitude he was abolishing corporal punishment, save for cases of mutiny and gross assault in prisons, which were very rare. The proposals of the Bill, said the Minister, were founded on hard facts, and not on unsupported theories, being the result of day-to-day experience of practical men and women who were devoting their lives to the work; and they had the support of the Prison Commissioners, the prison governors, the visiting justices, the men and women helpers, and the discharged prisoners' aid societies.

The Bill evoked widespread interest in the House, and the debate on the second reading was continued on December 1. The reception given to it was almost wholly favourable, and criticisms voiced in the Press that it aimed at "coddling" prisoners and erred on the side of sentimentality found hardly any echo in the debate. The new approach to the subject of crime embodied in the Bill obviously had the approval of the great majority of the House, and the second reading was carried without a division.

On November 17 the negotiations for an Anglo-American Trade Agreement were at length brought to a successful termination, nine months after their initiation. By the agreement signed at Washington, reductions of duty of up to 40 per cent. were made on 11,000,000*l.* worth (on the basis of the 1936 figures) of British exports to the United States, and the existing duties were stabilised on 6,000,000*l.* worth, out of a total of 23,000,000*l.* worth liable to duty; while the existing freedom

from duty was guaranteed for 9,500,000*l.* worth out of 17,000,000*l.* worth at present entering free. This represented concessions on about two-thirds of the total British export to the United States. The chief benefit went to the textile trades—linen, wool, and cotton—while other articles which profited were china clay, earthenware, bone china, silver-plated ware, bicycles, textile machinery, various classes of herring, boots and shoes, certain classes of paper, and books. The duty on whisky, the largest single item in the export trade to the United States, was to be stabilised at the reduced rate of 50 per cent. secured in the U.S.-Canadian Agreement of 1935. Altogether the reductions of duty covered about 600 items. On her side Britain conceded reductions of duty on some 10,200,000*l.* worth of trade, or about one-ninth of her total imports from the United States. In addition, Britain, with the consent of Canada, Australia, and India, agreed to abolish the duty of 2*s.* a quarter on foreign wheat, and not to increase the present preference of about 2*s.* per pound on Empire tobacco. The existing 33 per cent. duty on motor-cars was not reduced, but an undertaking was given not to increase it. Britain also consented to a reduction of some of the preferences she enjoyed in Canada and the Colonies.

Public feeling in England was deeply stirred by the anti-Jewish outrages in Germany which followed the assassination of Herr vom Rath in Paris on November 7. Sympathy with the Jewish population of Germany was profound and widespread, and the public insistently demanded that the Government should do what it could to rescue them from their intolerable plight. In response, the Prime Minister made a statement on the subject in the House of Commons on November 21. Ever since the Evian meeting in July, he said, the Government had had under constant examination the contribution which they could make, in respect of the United Kingdom and the Colonial Empire, to the international effort to facilitate the admission and settlement of involuntary emigrants from Germany. With regard to the United Kingdom, the number of refugees which Great Britain could agree to admit was limited by the capacity of the voluntary organisations dealing with the problem to undertake the responsibility for selecting, receiving, and maintaining a further number of refugees. The United Kingdom had in fact since 1933 permitted about 11,000 men, women, and children to land in England, in addition to some four or five thousand others who had since emigrated overseas. As regards the Colonial Empire, it had to be remembered that, although covering a great extent of territory, it was not necessarily capable of the immediate absorption of large numbers of refugees, and in fact there was no territory where suitable land was available for such purpose, though in certain territories small-scale settlement might be possible. As places where something more ambitious

might be attempted, after suitable preparation, he mentioned Tanganyika and British Guiana. As for Palestine, that had already been making its contribution. In conclusion, Mr. Chamberlain emphasised the fact that, however great might be their desire to assist in dealing with the situation, the possibilities of settlement were strictly limited.

The Premier's statement hardly answered the expectations of the House, which thought that something more than he had indicated could be done for the sufferers. Later in the same sitting Mr. Noel Baker moved that in view of the growing gravity of the refugee problem, the House would welcome an immediate concerted effort among the nations, including the United States, to secure a common policy. The Home Secretary, in reply, made a highly sympathetic speech, in which, while insisting that the problem of the refugees must be international, he stated that the Government fully recognised the responsibility resting on the British Empire in particular. In England itself, he said, they had to avoid the risks of a mass immigration of Jews, but he was attempting to deal as sympathetically as possible with individual cases, and he announced that he would be prepared to grant facilities for the entry of Jewish children whose maintenance could be guaranteed by some organisation. In view of this statement, great disappointment was caused to the Jews and their friends when a little later the Colonial Secretary refused to allow the admission of ten thousand German Jewish children to Palestine on the ground that it might prejudice the success of the forthcoming Arab-Jewish Conference in London.

Among the general public, sympathy with the German Jews was widespread and profound. Leading men of all shades of opinion voiced the general detestation of their treatment, and a great public demonstration against racial and religious persecution at the Albert Hall on December 1, presided over by Lord Sankey, brought together on one platform the Archbishop of York, the Catholic Archbishop of Westminster, the Moderator of the Free Churches, Mr. Amery, Mr. H. Morrison, and Sir A. Sinclair, along with the Chief Rabbi. In order to canalise the great desire for giving practical help, Earl Baldwin, on December 8, made a highly moving broadcast appeal which was relayed to America, and widely reproduced in the Press, and opened a fund to supplement the efforts already being made by the Jews of England themselves, and to be devoted primarily to the relief of "non-Aryan" Christians, who hitherto had been somewhat neglected by their co-religionists. By the end of the year the fund had reached over a quarter of a million pounds.

On November 23, Mr. Chamberlain and Lord Halifax went to Paris to return the visit recently paid to London by the French Prime Minister and Foreign Minister. Mr. Chamberlain's original intention had been to utilise the visit not merely to

strengthen the Anglo-French friendship, but also to improve relations between Britain and France on the one hand, and Germany and Italy on the other—in fact, to carry a step further his policy of “appeasement.” It was feared in England, and with only too much reason, that this step would take the familiar form of making further concessions to the Dictators—to Herr Hitler in the matter of colonies, and to Signor Mussolini by granting belligerent rights to General Franco. Hence the visit was contemplated with some trepidation not only by the Opposition parties, but also by many of the Government’s supporters, and it was precluded by a vigorous agitation on the part of the Labour Party against the granting of belligerent rights to the Spanish Insurgents.

Apart from this, circumstances had not been favourable to further progress in the direction of “appeasement.” Since the time of the Munich meeting, the German Press had been indulging in a virulent campaign against England which was not calculated to improve relations between the two countries, and Herr Hitler and Dr. Goebbels had in public speeches made references to English public men which deeply wounded British susceptibilities. And the persecution of the Jews in Germany had aroused such an indignation in England as to put a *rapprochement* between the two countries out of the question for the time being. On the other hand, the Italian Press continued to inveigh against France, and the French Prime Minister had recently declared categorically that he had no thought of ceding colonies to Germany. Thus the atmosphere was no more congenial in Paris than in London for the furtherance of the “Four Power Pact” which seemed to be the ultimate goal of Mr. Chamberlain’s foreign policy.

In fact, from the point of view of “appeasement,” the discussions proved to be barren. The colonial question was shelved, and with regard to Spain it was found that the time was not yet ripe for granting belligerent rights to General Franco. On the other hand, the question of mutual defence between Great Britain and France was tackled in earnest; the difficulties and necessities of the two countries were discussed in some detail, and it was arranged that Sir K. Wood, the British Air Minister, should visit France in the near future to concert measures with the French Air Ministry.

On November 21 the President of the Board of Trade moved the second reading of the Prevention of Fraud (Investments) Bill which was intended to curb the activity of “share-pushers.” The Bill followed in the main the lines laid down in the report on the subject made by the Bodkin Committee in August, 1937 (*vide* ANNUAL REGISTER, 1937, p. 74). The chief departure was in substituting for the registration recommended by the Committee a system of licensing by the Board of Trade which it was



thought would be more flexible. The objects of the Bill were universally approved by the House, in spite of the restrictions which it inevitably imposed on legitimate trading, and the Bill was read a second time.

On November 23 a deputation, consisting of the chairmen and general managers of the main line railway companies, waited on the Minister of Transport to call his attention to the plight of the railways, and to seek a remedy. In the first 43 weeks of the year the revenue of the four main companies had fallen by 5,000,000*l.*, and the decline seemed likely to continue. The loss was put down chiefly to the competition of road transport, and the deputation therefore proposed that the existing statutory regulation of the charges of merchandise traffic by railway, together with the requirements attached thereto, including such matters as classification, publication, and undue preference, should be repealed, and that the railways, exactly like other forms of transport, should be permitted to decide the charges and conditions for the conveyance of merchandise which they were required to carry. The matter was referred to the Transport Advisory Council, which appointed a committee to deal with it, and in the meantime the railways carried on an active advertising campaign in the country to win public support.

On November 17 the text was issued of the Government's Milk Industry Bill, which incorporated its long-term policy for the milk industry, based on the White Paper issued in July, 1937. The chief feature of the Bill was to set up an independent Milk Commission to supervise generally the activities of all sections of the industry. This body would be empowered to try experiments in rationalising milk distribution by retailers, and to make pasteurisation compulsory in any given area on the request of a local authority. The Bill further provided that for five years Exchequer assistance should be given to enable Milk Marketing Boards to offer increased inducements to producers for the provision of cleaner and purer milk; these premiums would probably cost the Exchequer 2,000,000*l.* in the current year, and 2,300,000*l.* in the following year. A price-insurance scheme was also included in the Bill for protecting milk producers from the possible effects of serious falls in the price levels of butter and cheese.

The new Milk Bill, which had been drafted in the teeth of objections raised by the Milk Marketing Board, and the National Farmers' Union, offended a number of special interests, while it failed to please any large section in the country. It was strongly criticised by several of the Government's own supporters in the House of Commons, especially those representing agriculture, and on November 29 a request was made to the Prime Minister in the name of a large number of "back-benchers" that the Bill should be withdrawn and an agreed measure substituted.

The Government considered it advisable to give way, and on December 1 the Prime Minister announced that the second reading would be postponed "pending further discussion and re-examination of the whole milk problem."

In other sections of the agricultural community, dissatisfaction with the Government's policy was even more pronounced than in the dairy industry. On December 9, in view of the abnormal decline in barley prices, the Government announced that it would double the subsidy of 10*s.* an acre to barley growers for the current year's crop. The barley growers, however, regarded this as totally inadequate. When the Minister of Agriculture, on the same day, addressed a gathering of some three thousand agriculturists at Lincoln, the centre of the barley growing district, he met with a hostile reception, and found difficulty in obtaining a hearing; and after he had spoken, the meeting, by an overwhelming majority, passed a resolution stating that it had no confidence in the Government's agricultural policy, and that it could not pledge itself to vote for any National Government candidate at the next election unless before then legislation should have been passed to place basic prices of primary products at a fair level, so that farmers might receive a fair return for their enterprise, and be in a position to pay their men a fair wage.

On December 21 the Minister of Agriculture announced a scheme for closer control of imported supplies of mutton and lamb in order to keep prices up. On the same day the Conservative Agricultural Committee of the House of Commons passed a resolution calling on the State to guarantee standard prices to producers to cover the average cost of efficient production, such prices to be determined from time to time by an independent tribunal, on the lines of the Import Duties Advisory Committee. Before the end of the session, the Minister undertook to make an exhaustive survey of the whole agricultural position during the vacation, and to produce a new scheme when Parliament met.

On November 30, in the House of Commons, a number of members—mostly connected with the Lancashire cotton trade—drew the attention of the Government to the increasing menace of State-aided foreign competition, and called for some action to overcome it, chiefly by assisting the basic exporting industries. Mr. R. S. Hudson, the Secretary of the Overseas Trade Department, in reply, admitted that the increase which had taken place in the last couple of years in the adverse trade balance was a serious matter, and said that if it became accentuated they would have to deal with it. They had a particular complaint against Germany, which, though not discriminating actually against British goods, was by her methods destroying trade throughout the world. They had no cause for taking

away the most-favoured nation treatment from that country ; the question was how to meet the new form of German competition throughout the world. The basis of this was to pay the producer much more than the world price, and export goods at less than cost price, the difference being paid by the German public. The Government had made a survey of all possible methods of meeting this competition, and the only way they saw was by organising British industries in such a manner that they would be able to speak as units with their opposite numbers in Germany, and say, " Unless you are prepared to put an end to this form of competition, and come to an agreement on market prices which represent a reasonable return, then we will fight you and beat you at your own game." Clearly this country was infinitely stronger than Germany, and they had a great advantage, which would result in their winning the fight. But it was an essential preliminary that their own industries should be organised.

It was not long before this threat was followed by appropriate action. On December 15 the House of Commons gave a second reading to an Export Guarantees Bill which raised the limit of the guarantee from 50,000,000*l.* to 75,000,000*l.*, and empowered the Board of Trade to accept liability up to 10,000,000*l.* for risks not of an ordinary commercial kind. On behalf of the Government Mr. Hudson stated that the chief object of the Bill was to enable the Government to give guarantees in transactions which on a long view appeared to be in the national interest, but which if judged strictly on commercial grounds would be turned down by the Advisory Council. This, he added, was only one of the methods which would have to be adopted by the country to meet the existing situation. The President of the Board of Trade later remarked that the powers taken under the Bill were wide, exceptional, and largely unprecedented, but he claimed that the circumstances of the day were such as to render them indispensable.

On December 2 the House of Commons gave an unopposed second reading to the Access to Mountains Bill, a measure introduced by a private member with the object of securing free access for the public to mountains and moors. Just fifty years had passed since Lord Bryce had obtained a second reading for a similar Bill, and in the interval the need for it had certainly not diminished, especially in view of the " fitness " campaign which had recently been launched. The Government showed itself sympathetic, and Mr. Lloyd on its behalf stated that negotiations were in progress between organisations representing owners and ramblers on the subject of access. A Conservative member moved the rejection of the Bill on the ground that it was nationalisation disguised as greater freedom for the hiker, and that it would interfere with legitimate sporting rights providing a good deal of employment. On hearing the Minister's statement, however, he withdrew his opposition.

On December 5 the Prime Minister formally moved the adoption of the report on the Sandys Case (*vide* p. 83) in the House of Commons. He said that anyone carefully reading the report would agree that it established that there never was any deliberate intention on the part of any Minister to exercise improper pressure on a member of the House. Owing, however, to the imperfections of human nature, there had arisen—in the words of the Minority report—"a mass of delays, of cross-purposes, and of misunderstandings" which had given the incident an importance that it never really ought to have possessed. He thought it most consonant with the dignity of the House, and the merits of the case, that the report should be accepted as made, and as it was accepted by the Secretary of State for War and the Attorney-General. The House would then await the conclusions of the Committee on what seemed to be a much more important matter—namely, the general applicability of the Official Secrets Act to members of the House in the discharge of their Parliamentary duties. If that were done and the Committee were able to put before the House some guidance for their conduct in the future, they might hope that it would be unlikely, if not impossible, that there should ever be a recurrence of such an incident as they were considering.

Although the Prime Minister had thus made the *amende honorable* for the lapses of his two colleagues, a number of members could not resist the temptation of underlining more or less emphatically the strictures passed upon them in the report. Most of them did so in the name of the privileges of the House; Mr. Churchill, however, took the opportunity to upbraid the Secretary for War with having in the summer deliberately painted too rosy a picture of the state of the country's defences, thereby greatly angering those who knew the real condition of affairs. To this Mr. Hore-Belisha retorted that he had no desire to discourage the Territorials who had been joining in such large numbers by painting exaggerated and gloomy pictures, as Mr. Churchill had done.

The motion was eventually agreed to, and the Committee was reappointed with some changes in personnel to inquire into the applicability of the Official Secrets Act to members of the House in the discharge of their Parliamentary duties, having regard to the undoubted privileges of the House as confirmed in the Bill of Rights.

On December 6, in the House of Lords, Lord Elibank called attention to the damage which was being inflicted by Japan on British trade interests in China, and asked whether the Government contemplated taking any action in the matter. In reply Lord Plymouth admitted that the situation was unsatisfactory, and that so far British representations had met with no response from Japan. He stated that the Government could not possibly

subscribe to the pronouncement recently made in Tokio regarding the formation of an economic and political *bloc* comprising Japan, Manchukuo, and China, with Japan as the predominant partner. The Government's stand on the matter was the same as that of the United States, as recently announced, and he warned Japan that the consequences of an exclusionist policy on her part might be serious. The Government, he stated, were constantly considering what steps could be taken to protect British interests, and a number of proposals were under consideration for the granting of assistance to China in connexion with export credits. The comparative firmness of the Government's statement was favourably commented upon by the Opposition, and the grant of a small credit to China shortly afterwards encouraged hopes that the policy of surrender in the Far East was really coming to an end.

In regard to Germany, too, a change was now discernible in the Government's attitude. The strong anti-Nazi feeling created in the public by the offensive remarks of Nazi leaders, and by the persecution of the Jews in Germany, had penetrated to the Government itself, and was publicly expressed by more than one Minister at this juncture. Particularly outspoken was a speech given by Lord de la Warr, the President of the Board of Education, at Bradford on December 3, in which he called into question the whole of the so-called policy of appeasement. What response, he asked, had it evoked? Within a fortnight of Munich the wildest abuse of themselves, attacks on their politicians that amounted to interference in their internal affairs, and a defiance of every canon of civilisation in the treatment of the Jews that aroused anger and dismay in every quarter of the globe. There had always, he said, been a definite liking for the German people in England, and a firm realisation that their internal system of government was no affair of theirs. But there was also a deep and growing feeling that nothing would satisfy them, that friendly words and actions were mistaken for cowardice, and that only armaments could speak effectively. Such remarks coming from a member of the Government naturally created a sensation, and the Prime Minister was asked in the House of Commons, on December 8, whether Lord de la Warr's speech represented the policy of the Government. Mr. Chamberlain would not go as far as this, but he spoke of it as an "admitted fact" that there was disappointment in many quarters at the response that the Government's policy of international appeasement had evoked in Germany.

That there were limits to the Government's policy of concession had been shown on the previous day (December 7) in connexion with the German demand for colonies. Mr. Noel-Baker moved in the House of Commons that no redistribution of colonial or mandated territory should be made without the

consent of the inhabitants, and that the mandate system should be extended to all colonial territories which were not yet ripe for self-government. The first part of the motion had the general support of the House; the second part was strongly opposed from the Ministerialist benches. The Colonial Secretary took occasion to make a statement on the Government's attitude to the German claim for colonies, a subject on which complete uncertainty and much misgiving had prevailed since the Munich Agreement. Without going into any arguments, Mr. MacDonald simply pointed to the fact that there was no section in the country which was disposed to hand over to any other country the care of any of the territories or peoples for which Britain was responsible either as a colonial or as a mandatory Power. That view, he said, was shared by the Government; they were not discussing the matter, they were not considering it; it was not now an issue of practical politics. The vigour of the Minister's statement delighted the House—and the country—all the more because it was so unexpected in view of the Government's record. Some members, however, were still not satisfied, and Mr. Amery inquired whether the word "now" used by the Minister meant "any longer," or "just at present." Mr. MacDonald, however, declined to enlighten him.

The estrangement which was growing up between Mr. Chamberlain and the Führer did not affect his relations with the Duce. On November 28 he announced that in the coming Christmas recess he would visit Rome in company with Lord Halifax, in accordance with an undertaking which he had given Signor Mussolini at Munich. In the quarrel which about this time broke out between France and Italy over Tunis, he betrayed a partiality towards the latter which brought him into trouble. On December 12, in the House of Commons, a member somewhat tactlessly asked him whether Britain had any legal obligation to go to the help of France if she were attacked by Italy, and he replied simply that she had not. The correctness of the statement could not be gainsaid; but the Premier's failure to assert Britain's solidarity with France, while it gave great satisfaction in Italy, made an unfavourable impression in France, and was strongly criticised at home.

Mr. Chamberlain made a further attempt to justify his "appeasement" policy in a public speech which he delivered on December 13 at the jubilee dinner of the Foreign Press Association. He maintained that this policy was the only alternative to regarding war as inevitable; and while he admitted that he had had checks and disappointments—perhaps in greater measure than he had anticipated—these passing phases neither disheartened nor deterred him. He rallied his opponents on their pessimism, and proudly pointed to the five major international agreements concluded by Great Britain in recent months

—lumping together in one category the Agreement with Eire, the Anglo-Italian Agreement, the Munich Agreement with the declaration which followed it, and the Anglo-American Trade Agreement. Such an achievement, he exclaimed, called for satisfaction, not pessimism. Referring to his projected visit to Rome, he said his hope was to find an atmosphere in which the two Governments might better understand each other, establish greater mutual confidence, and “co-operate in one way or another in further steps towards the general sense of stability and security.”

An ironical comment on the Premier's optimism was furnished by an incident arising out of this very speech. The German Press had seen fit to greet Earl Baldwin's appeal on behalf of the refugees with a stream of scurrilous abuse which was deeply resented by the whole British public. Mr. Chamberlain, out of loyalty to his former chief, now added his own protest, but though he used language of studied moderation, he could not avoid wounding German susceptibilities, and the German Embassy staff and journalists, to whom, according to custom, a copy of the speech had been submitted beforehand, ostentatiously absented themselves from the function. Nor had Mr. Chamberlain any better success with Italy. Later in his speech he took occasion to repair his *faux pas* of the previous day by remarking that British relations with France were so close “as to go beyond mere legal obligations, since they were founded on identity of interest.” This remark naturally delighted the French, but gave corresponding umbrage to the Italians.

The truth was that, whatever Mr. Chamberlain might say about his policy, the Government were at this juncture acting in foreign affairs in a spirit very different from that of Munich. So far were they from trying to “appease” the Dictators that they might rather be described as “facing up” to them in the way for which the Opposition had been clamouring for months. This was exemplified by the curt refusal of Mr. MacDonald to discuss with Germany the question of colonies, by Mr. Hudson's threat of a trade war if Germany persisted in her unfair methods of trading, and by a statement of the Prime Minister in the House of Commons on December 14 that Britain would regard the invasion of Tunis by Italy as a breach of the recently concluded Anglo-Italian Agreement. To crown all, Mr. Chamberlain himself began to use language which was the reverse of “pacific.” Speaking to a gathering of leading City men on December 15, he declared that when the German statesmen—he would not say the German people—reflected on the possible consequences of a conflict, if it ever arose, they would think not only of British armaments but also of her great financial resources which in a war of long duration might well be a deciding factor. And these sentiments were now no less vigorously applauded than his

Guildhall speech had been a few weeks earlier by an audience of the same character.

In spite of these signs of grace, the Opposition remained deeply suspicious of Mr. Chamberlain's foreign policy. They were still convinced that his sympathies lay with the Dictators, and that if occasion arose he would not hesitate to further their interests even at the expense of his own country. They viewed with particular misgiving his proposed visit to Rome, considering that he was no match for the duplicity of the Duce ; more especially as he would not state what he intended to discuss with him. By dint of persistent questioning in Parliament, they extracted from him a statement that he had no intention of handing over British Somaliland to Italy. But they could obtain no similar promise with regard to the granting of belligerent rights to General Franco ; and as "appeasement" was still nominally the keyword of the Government's foreign policy, they determined once more to record their opposition to it by means of a formal vote of censure.

On December 19 Mr. Dalton moved "that this House has no confidence in the foreign policy of the Government." Sensible no doubt that that policy was in a state of flux, he did not press his point, and devoted most of his speech to inquiring what were the Government's plans for the future. He pointed out that there were grave problems in the Far East, in Central Europe, and in the Mediterranean, and asked how the Government proposed to deal with them.

The Prime Minister, in reply, while nominally defending his policy and declaring that if he had to live the past eighteen months over again he would not change it by one jot, made some noteworthy advances towards the Opposition point of view. He now at last declared categorically that so long as there were foreign troops in Spain, and so long as no other solution had been found for the Spanish question, but that which was involved in the non-intervention plan, the Government did not propose to grant belligerent rights to the parties in Spain. Addressing himself to Germany, Mr. Chamberlain then used language which might have come from the leader of the Opposition himself. While affirming that there was an earnest and constant desire in England that the British and German peoples together with other members of the European family of nations should find means of co-operating in removing the menace of war, he added that it was not enough for them to express that desire. It took two to make an agreement just as it took two to make a war, and he was still waiting for a sign from those who spoke for the German people that they shared that desire and that they were prepared to make their contribution to the peace which would help them as much as it would help England. They were ready, he said, at any time to discuss the limitation of armaments on



the basis that all should contribute to that limitation, but so long as others were going on arming day and night, they were bound to do the same, because, though reason was the finest weapon in the world to combat reason, it had little chance to assert itself where force was supreme. It would, he added, be a terrible blunder to mistake their love of peace and their faculty for compromise for weakness. At this point Mr. Chamberlain was asked by a Labour member whether he was waiting for the same kind of sign from Rome as from Berlin, but he refused to be drawn any further. The speech contained also an assurance that British rights in China would be defended.

In the debate which followed, Sir A. Sinclair said that he was grateful for one or two assurances which the Prime Minister had given, but that he found other passages profoundly disquieting. He referred especially to his misunderstanding of the psychology of the two Dictators with whom he had principally to deal. Other speakers also, including Mr. Lloyd George, expressed fears that he would not escape being duped at Rome. Eventually, however, the censure motion was defeated by 340 votes to 143.

The Government's change of front was undoubtedly due in no small measure to the results of a number of by-elections held between the Munich settlement and the end of the year. At all of these the foreign policy of the Government was the dominant, if not the sole, issue, so that they formed a miniature plebiscite on this subject. Taken all together they showed a turnover of votes much larger than could be accounted for by the usual swing of the pendulum, and in some of them the Government suffered heavy blows. At Oxford (*vide* p. 80) the Progressive candidate succeeded in reducing the Government majority by only 3,000; but in Dartford a Conservative majority of 2,600 was turned into a Labour majority of 4,200, in Doncaster the Labour majority rose from nearly 8,000 to 11,700, and at West Lewisham the Conservative majority was reduced from 12,300 to 5,600. But the most sensational result was at Bridgwater in Somerset, where Mr. Vernon Bartlett, the well-known journalist, standing as an Independent with the support of both the Liberal and Labour parties, succeeded in turning a Unionist majority of 10,500 into a minority of 2,300.

This blow was severe enough to give the Government food for thought; and before the end of the year it was followed by one more severe still. Towards the end of November the Duchess of Atholl, who had already shown in no uncertain fashion her opposition to the Government's Spanish policy (*vide* p. 36), and had therefore been repudiated by her local association, took the bold step of resigning her seat in West Perth and standing again as an Independent in order to test public opinion on this subject. The Government had some

difficulty in finding a candidate to oppose her. At first the local Liberal organisation also put up a candidate, but in response to appeals from Liberal quarters in all parts of the country, she withdrew from the contest, thus allowing a straight fight between the Duchess and the supporter of the Government. Before the end of the campaign the victory of the Duchess was looked upon as assured, and though, owing to local conditions, the Government ultimately retained the seat by a small majority, the moral effect of her defection remained unimpaired.

The example set by the Labour and Liberal parties at Oxford, and followed soon after at Bridgwater, of uniting in support of an Independent candidate (*vide* p. 106), was watched with great interest and sympathy in many other constituencies. The movement for a Labour-Liberal alliance which had been quashed in May revived once more, and received a strong impetus from the success which attended this policy at Bridgwater. The National Executive of the Labour Party considered the question once more at meetings held on November 22 and 24. There was great sympathy with the movement in the purely political side of the party, as evinced by the fact that no less than thirty-nine Labour M.P.'s had signed a manifesto supporting the Independent candidate at Bridgwater. The trade union leaders, on the other hand, were still strongly against the movement. After an animated discussion, the latter again gained the day, and the National Executive reaffirmed the attitude towards combinations with other political parties laid down in the document "Labour and the Popular Front," where it was stated that in the opinion of most members of the party, the road to peace lay through Socialism and a Labour Government. The proposed coalition, they added, would create a grievous discouragement of that belief for which they could not be responsible. At the same time it was resolved to launch jointly with the Co-operative Party a nation-wide campaign in emphatic opposition to the National Government's foreign policy.

On December 1 Sir J. Anderson, the new Lord Privy Seal, made a statement in the House of Commons outlining the Government's scheme for organising the national resources in the service of the State. Referring first to the movement for a compulsory national register which had been on foot for some time, he said that after weighing very carefully the arguments which could be adduced on either side, the Government had come to the conclusion that a compulsory register was at present neither necessary nor desirable. They were satisfied that the immediate needs of the situation could be best met by a voluntary register, combined with proper means for ensuring that all who wished to serve their country should have the means of knowing how their services could best be utilised. The first step would be to publish a handbook containing particulars of all the services

for which volunteers would be required, and at the same time a list of key occupations from which workers could not be spared for other services. The handbook would be distributed to every household in the country; the special list would be available everywhere for reference. At the same time, steps would be taken at once to build up a national service organisation with local committees throughout the country, by whom full information and guidance could be given to assist individual men and women to decide where their duty lay, and to make their choice between the various forms of national service which were open to them. It was hoped to prepare and distribute all this literature and to bring this new organisation into being by about the middle of January, and then to launch a co-ordinated recruiting campaign for all the various services for which volunteers were required. It was proposed further that persons who volunteered for certain classes of civilian service should be invited to undertake a more definite obligation of a contractual nature than had been expected of them hitherto. While these preparations were being made, they would press forward at once with the expansion of the arrangements for training, in order to be able to deal with a large increase in the number of volunteers. The carrying out of these steps would give them a number of registers which together would constitute the National Voluntary Register. This would probably be sufficient for their needs in time of peace. Should war break out, however, they would need a more complete national register which would have to be compiled under compulsory powers; and machinery would therefore be prepared at once for enabling the transition from the voluntary to the compulsory register to be made as smoothly and as rapidly as possible.

On December 6 Sir John Anderson formally asked the House of Commons to accept the scheme. He did not add materially to the information already available to members, and when he had concluded Mr. Greenwood stated that the scheme was still too vague for Labour to decide whether they could accept it or not. The voluntary principle, in spite of a vigorous defence by the Minister, came in for severe criticism from Mr. Amery and other Conservative speakers; Sir John, however, was able to claim the support of Sir Auckland Geddes, who had had unrivalled experience in the matter in the Great War, and whose word therefore carried great weight.

On December 15 the General Council of the Trade Union Congress discussed the Government's scheme with the Lord Privy Seal and the Minister of Labour, and questioned them particularly about the constitution and functions of the national service committees, the schedule of reserved occupations, and the industrial position of persons so scheduled. On the basis of the information given by the Ministers, the National Council

of Labour, on December 19, issued a statement that, while it was unanimously agreed that no approval could be given to a compulsory scheme, if the Government's scheme was to be a genuinely democratic and voluntary one, providing for adequate representation of the organised workers on the bodies concerned with the administration of the scheme, the Labour movement would be willing to co-operate for the purposes of civilian defence.

It had at first been the intention of the Government to defer the resumption of the debate till after the Christmas recess, when the proposed handbook would have been issued and the details of the scheme would have been worked out and made public. This course, however, was deemed inadvisable in face of the continued agitation among a section of the Government's supporters for a compulsory register. In order to restore unity to the Ministerial ranks, it was decided to add to the original resolution, which merely called for approval of the Government's scheme, a provision that the results of the scheme should be revised by the House at the end of March, and to discuss this motion before the recess.

The revised motion was duly brought forward by the Minister of Labour on December 20. Mr. Brown expatiated on the valuable features of the scheme, but Mr. Greenwood, on behalf of the Labour Party, refused to give his approval until he had the details in black and white, and till he was satisfied that the main demands of Labour would be met—namely, that the scheme would be genuinely voluntary, and that Labour would be properly represented on the Committees, and would have a due share in framing the schedule of reserved occupations. Sir John Anderson, in reply, stated that the Government had no intention of departing from the voluntary principle if it could possibly be made to work, and promised that the other Labour demands would be met as far as possible. The advocates of compulsion for the most part held their peace, and the motion was carried by 270 votes to 9.

On the same day Sir John Anderson interviewed representatives of the Association of English and Scottish local authorities, and told them that the Government plans for a regional organisation in time of war would not in peace-time involve any alteration of the functions of local authorities under the Air Raid Precautions Act, nor would the local machine be completely superseded even in time of war. The A.R.P. services, he said, would be considerably strengthened by the adoption of the principle that in certain of them there should be a proportion of volunteers engaged on the basis that in time of war they would be given full-time paid service; such arrangements would give public recognition to the fact that if war ever took place the A.R.P. volunteers would be, as it were, in the front line. He also

informed his hearers that new and revised memoranda on training would soon be issued by his Department, and urged them to put themselves in a position to take full advantage of the national service effort which would come into operation in January. By doing so, he said, they had it in their power to make a great contribution towards the maintenance of peace.

On the next day (December 21) Sir John Anderson gave the House of Commons an outline of the Government's plans for providing shelter against high explosives used in air-raids. For the present, he said, they were contemplating providing protection only against the effects of splinter and blast, not against direct hits. The protection would be of two kinds, for people found in the streets when the air-raid warning was given, and for people in their homes or at their place of work. For the former it would be necessary to provide trenches in easily accessible spots ; this would be the task mainly of the local authorities. For the former the best protection would be afforded by basements, suitably strengthened by steel supports, or, in the case of places without basements, by a kind of steel hutment erected just outside. The Government, he said, would accumulate stocks of the steel work required, and would provide it free of charge to the poorer classes, while those who could afford would have to pay for it. He estimated that protection could be afforded to about 20,000,000 people in this way, and that the total cost to the Government would be about 20,000,000*l.* This, however, would not be entirely unremunerative expenditure, as much employment would be provided, and the steel would always have a value. In answer to questions the next day, Sir John stated that he could not accept the proposition that the whole cost of air-raid precautions should be borne by the State, as that principle would be far-reaching and formidable, and he saw no reason why the local authorities, with the financial aid and guidance which were to be given to them, should not be able to carry out efficiently the duty of providing communal shelters.

Before the close of the session Mr. Chamberlain was called upon to suppress an incipient mutiny within the Government itself. Early in December, a number of junior Ministers, headed by Mr. R. S. Hudson, Parliamentary Secretary for Overseas Trade, expressed to the Prime Minister their strong dissatisfaction with the pace at which rearmament was being carried out, and called for the resignation of the Ministers responsible, particularly Mr. Hore-Belisha. The Premier, on going into the matter, found no reason to withdraw his confidence from the Minister for War, and Mr. Hudson's associates hastened to make their peace with him. Mr. Hudson himself, however, remained obdurate, and at the end of the year his position was a matter of uncertainty.

On December 7, in the House of Commons, Mr. Mander, a Liberal member, brought forward a resolution deprecating any action by the Government of the day which tended to set up any form of political censorship or exercised any pressure, direct or indirect. In support of his motion he adduced a number of specific charges against the Government of interfering with the freedom of the Press. The Home Secretary, in reply, affirmed that Mr. Mander had discovered a number of mare's nests, and that the Government had no power to interfere with the liberty of the Press, even if it desired to do so. He did, however, admit one case of interference—the excision of two “Left Wing” speeches from a film on September 22; this he justified on the ground that these speeches might have impeded the peace efforts of the Premier, who was then at Godesberg. He admitted that the Official Secrets Act was capable of abuse, but promised that he would try to amend it. The motion was ultimately agreed to after an amendment, declaring that the Government had maintained unimpaired the traditions of the liberty of the Press, had been carried by 171 votes to 124.

On December 12 the Minister of Health moved the second reading of the Government's Cancer Bill, which was designed to provide additional facilities for combating this scourge. He pointed out that cancer had now become the second on the list of fatal diseases in the country, and that its annual death-rate per million of the population of Great Britain had risen from 835 in 1901 to 1624 in 1937. There was no doubt, however, that if taken in hand at a sufficiently early stage it could be cured, and even when it was beyond cure the suffering it caused could be alleviated by proper treatment. At present the facilities for obtaining such treatment were nearly adequate in London, but were far from adequate in the rest of the country; and the object of the Bill was to bring the rest of the country up to the level of London in this respect. For this purpose the Ministry of Health proposed to co-operate with the local authorities in supplying treatment centres, beds, and diagnostic centres at a total cost of about 700,000*l.*, of which half would be borne by the State. One provision of the Bill prohibited the publication of misleading advertisements offering treatment and cures for cancer, such advertisements being already refused by the leading newspaper organisations. The Bill was favourably received by the House, which gave it a second reading without opposition.

On December 21 the House of Commons approved without dissent a motion advocating an early resumption of the movement of population within the Empire, and calling on the Government to promote and encourage the settlement in the Dominions of people from the Mother Country. Mr. MacDonald said that while there was sometimes exaggerated talk about the possibilities of the wide-open spaces of the Dominions, all were agreed that

there were vast areas which could support much larger populations than they were carrying to-day. If the British peoples did not develop those countries, they would lay themselves open to the reproach that they were sitting on a vast area of the earth's surface, and preventing it from being put to beneficial use. On the other hand, the more powerful the Dominions, the greater would be the moral support they would be able to give to the Mother Country. He warned the House, however, that the Dominions could not support millions of new migrants simply by the expansion of their agricultural and pastoral industry; they would need secondary industries as well, and the problem was to reconcile this need with the interests of Great Britain. He also pointed out that the millions of new migrants who they hoped would ultimately settle in the Dominions could not come from the British Isles alone, and that some foreign migrants would be necessary.

Shortly before it rose on December 22, the House of Commons resolved that a Committee should be appointed to examine the question whether at future elections means could be found to spare the Speaker the risk and trouble of an electoral contest without detriment to the rights of constituencies. About the same time the House also voted 100,000*l.* for the purpose of preserving Parliament Square as an open space and gave permission for a bust of Lord Oxford (Henry Asquith) to be placed in the precincts of Parliament.

On December 21 the annual reports on the condition of the Special Areas in England and Scotland were issued by the respective Commissioners, Sir G. Gillett and Lord Nigel Douglas-Hamilton. The former stated that the progress made by the trading estates was very satisfactory, and that, given time, they might provide a large amount of work for those in the neighbourhood. There had, however, been a considerable increase in unemployment in the course of the year, though slightly less, perhaps, than in the country as a whole, in spite of the fact that some 27,000 workers were known to have left the areas in the past twelve months. The decline in population also still continued, and threatened to become accelerated. In Scotland the Commissioner reported that the situation had radically improved since 1934, heavy unemployment, which once was general throughout the areas, now being localised in one or two districts. In the House of Commons on the next day, on the motion for the adjournment, a number of speakers urged that something should be done to lessen the number of unemployed, which now stood at nearly two millions, but the Minister of Labour was unable to suggest any remedy.

On December 21 the report was published of the Royal Commission on Safety in Coal-Mines, appointed in December, 1935, under the presidency of Lord Rockley. The Commission

recommended that the Act of 1911, which still governed conditions in coal-mines, should be revised, and should in general be confined to matters of principle, while technical details should be dealt with by general regulations or orders which could be varied from time to time in the light of changing conditions and experience. For this purpose the Mines Department and the Inspectorate should be given a bigger sphere of activity, greater authority, and wider powers ; while it was important that there should be a higher standard of enforcement and observance among both employers and workers. Among the matters on which more particular proposals were made were ventilation, support of underground workings, danger from explosions, and silicosis.

Towards the end of the year (December 20) the Government reimposed the embargo on foreign loan issues which had been taken off in February. The object was to stop the drain on the Exchange Equalisation Fund which had been going on since August owing to the withdrawal of foreign funds from London, and the consequent fall in sterling. Also in view of the fact that next year the Government would be a heavy borrower, it was important that the resources of the capital market should be kept as nearly intact as possible for domestic requirements.

On December 30 the report was issued of the "Consultative Committee on Secondary Education" which for nearly five years—first under the presidency of Sir H. Hadow and then under that of Mr. W. Spens—had been examining the organisation and curriculum of schools for boys and girls between the ages of 11 and 16 other than those administered under the Elementary Code, these having been already dealt with in the Hadow Report of 1926. The Spens Report, which was eagerly studied by all persons interested in education, suggested a number of reforms of which two were of outstanding importance. One was the creation of a new type of school, based on the existing junior technical schools, and to be called the technical high school, on an equal footing with the grammar schools, which should provide a course of study of realistic and practical character for boys between 11 and 16 parallel to the existing courses of study in the secondary schools. The other was a remodelling of the curriculum in the secondary schools with the introduction of new subjects, so as to make it somewhat less purely didactic and to find room in it for original and creative activity. The Committee urged that the reforms it recommended should be carried out with the least possible delay.

By the end of the year it was abundantly clear that the Munich settlement had not brought any nearer that "appeasement" and "relaxation of tension" which Mr. Chamberlain had proclaimed to be the goal of his policy. Tension in fact had become



more acute between Germany and England and between Italy and France ; while the temporary friendship between Germany and France and between Italy and England rested on very shaky foundations. Similarly, in the country itself, while there was broadly speaking unanimity on the need for rearmament, the Munich settlement had served to accentuate rather than to lessen the division of opinion on foreign policy which had existed since the resignation of Mr. Eden, and the like of which had not been known since before the war. On the one side were those who denounced Mr. Chamberlain as the man who was compassing the destruction of British liberties, or the British Empire, or both ; on the other side, those who frantically clung to him as the one statesman who could be trusted to keep the country out of war. Shortly after Munich Mr. Eden had emphasised the urgent need for national unity in a number of speeches which had created a deep impression, but so far had produced little practical effect. Many people were disappointed that Mr. Eden did not put himself forward as a national leader, as undoubtedly he would have commanded a large following in all parties. He showed himself loth, however, to break with his own party, and early in December paid a short visit to the United States as a sort of unofficial envoy of goodwill, taking with him the blessing of the Government expressed by Lord Halifax in the House of Lords. Mr. Chamberlain's marked change of tone towards the end of the session did little to close the rift in the country between his partisans and his opponents ; and at the end of the year, though the latter were distinctly gaining ground on the former, there was still no sign that either party would consent to efface itself for the sake of national unity.

So ended the year of "appeasement." The balance of power on the Continent of Europe had been upset in favour of the Totalitarian States ; moral considerations in international relations were weakened ; in all lands there was a sense of insecurity and a feeling of impending doom ; everywhere expenditure on armaments was increasing to gigantic dimensions ; everywhere there was a prospect of higher taxation. But—for the time being—a general European war had been avoided.

# IMPERIAL HISTORY.

## CHAPTER I.

### IRELAND.

#### NORTHERN IRELAND.

THE financial position of Northern Ireland was made more secure during the year 1938 than at any period since the establishment of the Northern Parliament. Following the United Kingdom-Eire Agreement in April, there were consequential changes in the financial relations between Northern Ireland and Great Britain. These were embodied in a separate agreement reached with the Government of Northern Ireland. The surplus revenue of Northern Ireland under the Colwyn Award went to the United Kingdom Exchequer as Northern Ireland's Imperial contribution, and during the past seventeen years a sum of over 27½ million sterling has been contributed by Northern Ireland to the Exchequer of the United Kingdom. It was always feared, however, that if in any particular year there was not a surplus, but a deficit, in Northern Ireland this would have to be met by the taxpayers of the Six Counties. It was agreed, following the Eire-United Kingdom Agreement, that if there were a deficit on the Northern Ireland Budget which was not the result of a standard of social expenditure higher than that of Great Britain, nor the result of a standard of taxation lower than Great Britain, it would be equitable that means should be found to make good this deficit in such a way as to ensure that the Northern State should be in a financial position to continue to enjoy the same social services as Great Britain. It also was agreed to extend agricultural subsidies to Northern Ireland as granted from time to time in Great Britain, and also not to re-open the Unemployment Insurance Agreement with the United Kingdom Exchequer, even if Great Britain's contribution exceeded the 1,000,000*l.* originally fixed. Dealing with these far-reaching proposals in his Budget Speech, the Minister of Finance, Mr. J. M. Andrews, said: "We are now given complete security against periods of depression in our finances, a security which we did not formerly possess and the lack of which often caused me considerable anxiety."

During the Eire-United Kingdom negotiations the question of a United Ireland came into prominence. The Northern Government again received assurances from the British Government that the people of Northern Ireland would never be forced to join with the rest of Ireland under one Government.

To test opinion in the six counties, Lord Craigavon, the Prime Minister, dissolved Parliament and a General Election was held on February 9. The result, as was foreseen, was that Lord Craigavon's Government returned to power in a stronger position than ever, and there was no doubt that the great majority of the people were determined never to be separated from the United Kingdom.

A number of important Bills were introduced in the Northern Parliament during the session. Early in the year the Loans Guarantee Act was extended until March, 1940. This Act has been of great assistance in maintaining work for the Belfast shipyard. It was stated by the Minister of Finance that with the aid of the facilities which the Act made available orders had been secured since 1922 for 87 ships, costing 32,000,000*l.*, and the gross amount of the guarantees given to shipowners for loans was over 22,000,000*l.* It was largely through the operation of this Act that 13,000 workers were kept employed in the Belfast shipyard.

A Bill was passed raising the school-leaving age from 14 to 15 years of age, except where the child was able to secure employment. Other measures passed included a Holidays with Pay Bill for workers and a Marketing of Potatoes Bill.

During the year the Government appointed an Agent in Great Britain with the object of furthering Northern Ireland's interests in the commercial and industrial fields and ensuring the continuance of participation in the reciprocal trade between the various centres of the United Kingdom.

The number of unemployed in Northern Ireland increased from 70,000 to over 80,000 during the year. This is a much higher rate of unemployment than that recorded in the United Kingdom as a whole, and is comparable with some of the Special Areas in Great Britain.

While the rate of unemployment increased it must be remembered that the number of persons now under the insurance scheme has substantially increased by the inclusion of agricultural workers and juveniles under 16 years of age.

During the year there was one change in the Northern Ireland Cabinet. Major D. G. Shillington, because of ill-health, resigned the position of Minister of Labour to which he was appointed when Mr. J. M. Andrews became Minister of Finance; Major Shillington was succeeded by his Parliamentary Secretary, Mr. J. F. Gordon. Mr. William Grant, M.P., was appointed to Parliamentary Secretaryship to the Ministry. Mr. John C.

Davison, K.C., Parliamentary Secretary to the Ministry of Home Affairs, was appointed Recorder of Londonderry, and was succeeded in the Parliamentary Secretaryship by Mr. Edmund Warnock, K.C., who was elected as the representative of St. Anne's division of Belfast at the General Election.

#### EIRE.

The most important event of the year, so far as the people of Eire were concerned, was the conclusion of the Financial Agreement with Great Britain, which ended the six-years old "Economic war" and restored normal trading relations between the two countries. The negotiations which led to this happy result were opened in London on January 17, on the initiative of Mr. de Valera, and the agreement was signed on April 25. Several meetings between the Irish and British delegations, headed respectively by Mr. de Valera and Mr. Neville Chamberlain took place between these dates. At times a deadlock seemed to have been reached. Mr. de Valera strove for a comprehensive settlement of all outstanding political as well as financial questions in dispute between Eire and Great Britain. He found, as he afterwards acknowledged, a corresponding desire on the part of the British Prime Minister and his colleagues to establish friendly relations with the Government of Eire.

Mr. de Valera in an early stage of the conversations raised the question of the partition of Ireland which he told Mr. Chamberlain was brought about by an Act of the British Government—the Home Rule Act of 1920. He urged the British Ministers to put an end to the unnatural division of Ireland as well as of the historic province of Ulster, for which no Irish representative at Westminster had voted. The British Ministers' attitude on this point was firm. They maintained that it was a matter primarily for the two Governments in Ireland. This subject of partition was the most difficult aspect of the negotiations, but finally Mr. de Valera and his colleagues having stated their case went on to the discussion of the annuities dispute, the possibilities of resuming normal trade relations, and the question of the "Treaty ports."

The result was very satisfactory. The British Government accepted a lump sum payment of 10,000,000*l.* in satisfaction of all their financial claims on Eire, the three ports reserved to the British under the Treaty of 1921, namely Cobh (Queens-town), Berehaven and in Lough Swilly, were handed over to the Government of Eire with all their equipment and armament, and a trade pact was made which brought the commercial relations of Great Britain and Eire into line with those of the Dominions under the Ottawa Agreement.

When the terms of the agreement were announced on April 25

there was widespread and sincere public rejoicing. The settlement went further than even the most optimistic had thought possible. The historic document began with the following words :

The Government of Eire and the Government of the United Kingdom, being desirous of promoting relations of friendship and good understanding between the two countries, of reaching a final settlement of all outstanding financial claims of either of the two Governments against the other, and of facilitating trade and commerce between the two countries, have, subject to Parliamentary confirmation, entered into the agreements hereinafter set forth.

The Financial Agreement provided for the payment to the British Government by the Government of Eire of a sum of 10,000,000*l.* in "final settlement of all financial claims of either of the two Governments against the other arising out of matters occurring before the date of the agreement." This did not affect certain matters such as payments from one Government to the other in respect of agency services, the payment of 250,000*l.* a year by the Government of Eire to the British Government in respect of damage to property under the agreement of December 3, 1925, or payments in respect of unredeemed bank notes, withdrawal of United Kingdom silver coin from Eire, Trustee Savings Banks, or Double Taxation.

It was stipulated that the 10,000,000*l.* should be paid before November 30, 1938. Actually it was paid more than a month before that date. The money was raised by way of a National Loan for the full amount ; this is known on the Stock Exchange as the three and three-quarter per cent. Financial Agreement Loan. Further, it was agreed that as and from the date of the coming into operation of the Trade Agreement, both Governments would abolish certain Customs Duties which had been imposed during the "Economic War." These were the special or punitive duties imposed by the British Government on exports from Eire, and the Emergency Duties charged by the Eire Government on goods produced or manufactured in the United Kingdom and imported into Eire.

The section of the settlement dealing with trade set out, in a series of 19 articles, the terms of agreement. In addition there were six schedules in which the specific classes of goods were detailed. In regard to these it was necessary that the interests of both countries should be safeguarded as much as possible—Great Britain as an exporting country, and Eire as a country which was endeavouring to create and encourage home industries. For the purpose of protecting its own industries the Government of Eire had imposed tariffs and made extensive regulations as to quantitative restrictions.

Naturally these could not be removed wholesale, but under Article 8 of the Agreement it was provided that the Government of Eire should, as soon as possible, undertake to review through the Prices Commission the existing tariffs and restrictions "in

accordance with the principle that such duties and restrictions upon goods produced or manufactured in the United Kingdom shall be replaced by duties which shall not exceed such a level as will give United Kingdom producers and manufacturers full opportunity of reasonable competition, while affording Eire industries adequate protection, having regard to the relative cost of economical and efficient production, provided that in the application of this principle special consideration may be given to the case of industries not fully established. The tariff on goods produced or manufactured in the United Kingdom will be adjusted, where necessary, to give effect to the recommendations of the Prices Commission."

Speaking in the Dail on April 27, when he moved that the House approve of the agreements, Mr. de Valera claimed that in its main outlines the Trade Agreement "provides for advantages in the British Market which are better than could have been got at any time . . . an Agreement from which this country gets in the British market all the advantages that would have been got by Canada, Australia, New Zealand or any of the other States of the British Commonwealth. The difficulty in making the Agreement was to make sure that any concessions which we gave in it should not handicap us unduly in pursuance of our policy of building up industries here, industries that we regard as necessary for the national life."

The Dail approved of the Agreements, only one member, Mr. James Larkin (Independent), dissenting.

The conclusion of the Agreement resulted in much more friendly relations between Eire and Great Britain, and an immediate stimulus to the agricultural and livestock industries.

During the crisis of September there was close understanding and co-operation, but the failure to settle the Partition question was the cause of much dissatisfaction, especially among the Nationalists in Northern Ireland. Towards the end of the year Mr. de Valera repeated what he had said at the beginning of the negotiations, that so long as the country was sundered there could never be that complete goodwill and co-operation so necessary for the common security of Ireland and Great Britain. None-the-less, relations were definitely better during the year.

The outstanding change brought about by the new Constitution (which became operative on December 29, 1937) was the creation of a new office, President of Ireland (in Irish, *Uachtaran Na hEireann*) who "shall take precedence over all other persons in the State." The President was to have all the powers invested in the former Governors-General, but was not to be the personal representative of the King. The Government Party and Mr. Cosgrave's Party, anxious to avoid a party contest for the Presidency, held a conference and agreed that the position should be offered to Dr. Douglas Hyde, founder of the Gaelic League, a

scholar of European reputation, a Protestant Irishman who was completely detached from any branch of party politics, and a man held in the highest respect in Ireland for his work for the revival of Gaelic culture.

Dr. Hyde, notwithstanding his advanced years, consented to stand and was unanimously elected by the direct vote of the people as provided for in the Constitution. On June 25 he was formally installed in office at an impressive ceremonial held in St. Patrick's Hall, Dublin Castle, when, in addition to members of the Government and members of both Houses of the *Oireachtas* there were present high dignitaries of all the Churches and the Diplomatic Corps. The new President took up his residence at the former Viceregal Lodge in Phoenix Park, now designated *Arus an Uachtaran*.

Civil servants were indirectly responsible for the dissolution of the *Oireachtas* on May 27, and the General Election which followed. For some months there had been under debate in the Dail a motion in the name of two of Mr. Cosgrave's Party calling for the setting up of an Arbitration Board for the settlement of disputes between the Government and the Civil Service. On the night of May 25 a vote was taken and the motion was carried by a majority of one. The Government had, of course, objected to the proposal, and Mr. de Valera, instead of asking for a vote of confidence which he would have obtained, decided to appeal to the country.

Nominations took place on June 7 and polling on June 17. The result left the several parties as follows : Fianna Fail (Government) 77, Fine Gael (Mr. Cosgrave) 45, Labour 9, Independent 7. This gave the Government Party a majority over all others combined of 16. The party alignment in the previous Dail was—Fianna Fail 69, Fine Gael 48, Labour 13, Independent 8.

Another event of some importance during the year was the establishment of a new Senate. The old Chamber had been abolished because it was considered to be too partisan. It was hoped that a reconstituted House might get free altogether from party alignment, and exhaustive inquiry had been made with this object. Finally, a kind of hybrid politico-vocational plan was evolved under which the nominees of vocational bodies were elected by an electoral college which was itself a completely party body.

The new Senate held its first meeting on April 27.

In the economic sphere the report of the Banking Commission in March surpassed all other interests. It was the result of three years private inquiry by a body representing wide interests and including foreign experts of repute. The Majority Report, signed by 16 out of 20 members, stated that there was a tendency to push the policy of self-sufficiency too fast and too far, and to load unduly the dead-weight debt especially for the work of housing. It advocated retrenchment in good time.

## CHAPTER II.

## CANADA.

*Federal.*

IN Canada the year opened hopefully, with general economic conditions showing a trend of improvement, save in the drought areas.

After a nine months' recess the Third Session of the 18th Parliament was opened at Ottawa by the Governor-General, Lord Tweedsmuir, on January 27, with the Liberal Government under the leadership of Mr. Mackenzie King holding a commanding majority in the House of Commons. The Speech from the Throne began with a reference to the special significance of the Coronation and to the value of the recent Imperial Conference as a medium for the exchange of views and information on questions of common interest to the nations of the British Commonwealth. It was noted with gratification that there had been a further substantial advance in Canada's economic recovery on the evidence of expanded revenues, enlarged foreign trade, increased employment, and decreased relief rolls, but it was admitted that the recurrence of drought in the West had made it necessary to provide farm relief on an unprecedented scale. Legislation of the session was foreshadowed and special reference made to the work of the Royal Commission which, under the chairmanship of Chief Justice Rowell, was investigating the economic and financial basis of Confederation and the distribution of legislative powers in the light of new conditions. After referring to the international situation which still gave cause for grave anxiety, the Speech dealt with Canada's endeavours to promote international understanding and goodwill. The Government were convinced that in seeking to co-operate with Great Britain and other countries in the development of international trade they were pursuing one of the most effective means for ensuring the economic security and progress of Canada and the betterment of conditions in other parts of the world.

During February wide public interest was aroused in British foreign affairs following the resignation of Mr. Anthony Eden, but Mr. Mackenzie King took up a strictly non-intervention attitude in the House of Commons. There were those who argued that Canada being a member of the League of Nations, the Canadian Parliament should take decided note of the effect upon that organisation of the line of policy which British Ministers were adopting. Mr. Mackenzie King declined to make any comment, save to say that the policy of the Canadian Government



towards the League was the same then as it was at the time of the Imperial Conference of 1937.

Foreign affairs again came before the House in February when the Japanese Immigration Bill, tabled by Mr. A. W. Neill (Ind. Comox-Alberni), called for the termination of the "Gentleman's Agreement" between Canada and Japan—denounced by the British Columbia Legislature—by which 150 Japanese labourers were admitted yearly, and for the restriction of both Japanese and Chinese immigrants to merchants and students. The Prime Minister, who earlier in the session had administered a mild rebuke to Mr. R. R. Bruce, the Canadian Minister to Japan, for certain "partisan and pro-Japanese observations," claimed that such legislation would arouse feeling against the Dominion and the Empire.

Other subjects of outstanding interest dealt with by Parliament during the same month were the prohibition of the exportation of war materials from Canada to any territory in which there may be a "state of war or armed conflict, civil or otherwise"; a proposal supported by the Prime Minister and the Leader of the Opposition (Mr. R. B. Bennett) for a distinctive Canadian flag in conformity with other nations of the British Commonwealth; and the introduction of a Bill by Mr. C. H. Cahan (Cons. Montreal) for the abolition of Appeals from Canada to the Privy Council. Subsequently both the latter measures were suspended.

Mr. Howe, Minister of Transport, informed the House of Commons on February 24 that regular flights over the Trans-Canada Air Route from Winnipeg to Vancouver would begin about March 1, and from Montreal to Vancouver about July 1.

Mr. Ian Mackenzie, Minister of National Defence, made an important statement on Canada's foreign policy in the event of war when he opened the debate on the Defence Estimates on March 24. The Estimates totalled 34,000,000 dollars compared with 36,000,000 dollars for 1937, fewer planes having been budgeted for. Mr. Mackenzie said that a "long range" armament policy had been perfected to preserve Canadian neutrality and to defend the Canadian coast lines, ports and trade routes from aggressors. He added: "Just as the British Navy on the Atlantic is our greatest security in that quarter, so I think I might reasonably assume that, in a major conflagration, we should have friendly fleets in the Pacific Ocean." The Minister also stated that the view of the largest group of Canadians was that no commitments should be made in advance in regard to either military action or neutrality. Canada should refuse to imperil Canadian unity and security by accepting in advance the view that when Great Britain was at war, Canada was also at war, or that Canada was bound to take action whenever the League of Nations ordered the imposition of sanctions. Mr. Mackenzie

stated that Canada would acquire two new destroyers during the next fiscal year and 75 new aeroplanes, making a total of 102 first line planes. A Fishermen's Naval Reserve was to be organised on the Pacific coast.

During this debate the Prime Minister commented on the statement which he was reported to have made in Paris in July, 1937, to the effect that Canada would fly to the aid of Britain in the event of danger. Replying to critics, Mr. King stated that he had not denied the report at the time because he did not wish to embarrass the situation any more than necessary. He then quoted the exact words of his speech and showed that he had stressed the freedom enjoyed by Canadians in the matter. Mr. King also touched on the relations of the Dominions within the Empire. In some parts of Europe, he said, attempts were being made to create the impression that the opening of Canadian Legations in different countries was the expression of a desire to dissociate the Dominion from other parts of the Empire. "My contention," he declared, "always has been the opposite. I have contended that the bonds uniting us are those of freedom and complete autonomy which we enjoy in relation to our foreign affairs as well as in domestic matters." The Prime Minister also denied that Canada had offered advice to Britain about the Dominion's attitude regarding Czechoslovakia. He said that the British Government had kept Canada informed but had not asked for and had not received advice.

In the Senate during March first reading was given to a Bill designed to widen grounds for divorce in all Provinces having divorce courts, adding three new causes for divorce and providing four new grounds for marriage nullity. This measure (which did not pass during the session) was patterned after the Herbert legislation of the British Parliament enacted in 1937.

In April the Government published the Report of the National Employment Commission. The Commissioners recommended that unemployment relief and insurance should be a Federal responsibility, but the relief of distress other than that arising from unemployment should be a charge on the Provinces and Municipalities. The present methods of making indiscriminate grants for relief should be abandoned in favour of specific grants allocated to definite measures or projects. The Employment Service in which the Provinces shared should be brought completely under Federal control and reformed. Early action was recommended to provide houses at low rents and national schemes should be devised for training workless young people.

On May 20 the Minister of Labour (Mr. Norman Rogers) made a concise statement outlining the measures for the relief of unemployment which it was intended to cover by supplementary estimates. The total expenditure, he said, would be over 40 million dollars, in addition to which work-creating projects

included in the main estimates amounted to an almost equal sum. The policy of the Government was to stimulate basic industries and broaden the foundation for an extensive programme of conservation and development.

On May 24 (Victoria Day) Mr. Mackenzie King made his long-awaited statement in the House of Commons on Canada's position concerning External Affairs. This covered a comprehensive review of the world situation, Canada's foreign policy, her relationship to the League of Nations, her place in the British Commonwealth of Nations, and her attitude to the Sino-Japanese War and the Spanish conflict. He emphasised Canada's desire to maintain old ties and old friendships, and at the same time her readiness to enter into friendly relations with every country that would reciprocate.

Arising from a visit of German forestry experts in the autumn of 1937 to the island of Anticosti in the mouth of the St. Lawrence River, the future of that island was discussed in the House of Commons (May 26). Mr. Bennett, supported by Mr. Woodsworth, leader of the Co-operative Commonwealth Party, urged expropriation of the whole island, the Government to take ownership of the soil, leaving the owners (the Consolidated Paper Company) free to dispose of the timber and other resources. Mr. King, while deprecating the idea that the Government could expropriate all properties likely to fall into the hands of foreigners, said the Government had been fully aware of all the developments in the negotiations and were in correspondence with the Quebec Ministry, which shared their views about the undesirability of the island's passing into foreign ownership.

The proposals of the United States for the development of the Great Lakes—St. Lawrence system for navigation and power—were laid before Parliament on May 31. These were accompanied by a draft treaty which combined, with certain modifications, the original St. Lawrence Waterway Treaty of 1932 and the Niagara Convention of 1929, both of which were rejected by the United States Senate. The new draft treaty endeavoured to meet the objections of the Ontario Legislature by the provision that the development of power in the international section, of which Ontario would bear the main cost, could be postponed to 1949, and the desire of Ontario to divert water into the Great Lakes from Long Lag and the Ogoki River was conceded. Mr. Cordell Hull, in his Note on the treaty, stated that if the treaty were ratified the United States would permit Ontario to export power across the border and that this would solve the immediate problem of the Government of Ontario as to the disposal of the surplus power bought from the Beauharnois Corporation. In view, however, of the conflicting interests involved, no immediate action was taken by Parliament.

Mr. Dunning, Minister of Finance, presented his Budget on

June 16. He said that revenue received during the year ended on March 31 totalled 516,692,000 dollars, the highest figure ever recorded in the Dominion, exceeding that of the previous year by 62,538,000 dollars. Total expenditure, including the railway deficit, amounted to 530,467,000 dollars. The largest increase in ordinary expenditure was accounted for by the Defence Programme begun in 1937, which cost 32,760,000 dollars, an increase of nearly 10,000,000 dollars. Special expenditure for Western drought relief amounted to 24,585,000 dollars, the Canadian National Railways deficit was 42,346,000 dollars, and Unemployment Relief (including drought relief) cost 68,532,000 dollars. Only very minor changes were proposed in taxation and there were no changes in the Customs tariff. Mr. Dunning explained that tariff revision must await the conclusion of trade negotiations with the United States. Upholding the belief in a sound money policy, the Minister defined the Government's policy as an easy money one, "designed to offset any deflationary tendencies and to ensure that ample currency and credit would be available to meet the needs of industry and trade." In reviewing the state of trade, Mr. Dunning warned Canada that she could not attempt economic self-sufficiency and should not only attempt to lessen the evils of international friction and political tension, but should also co-operate "in all efforts to re-open the markets of the world to the normal interchange of goods and services." Mr. Dunning attacked the "pump-priming" tactics of several countries by which loans and other facilities were granted to industry to stimulate recovery. He said that only a rise in the rate of new investment could provide a durable basis for an upward swing in business activity.

Sir Edward Beatty, Chairman of the Canadian Pacific Railway, appeared before the Senate Railway Committee (June 22) to explain the financial proposals in his scheme for the unification of the C.P.R. and Canadian National systems. After pointing out that his plan did not involve any transfer of assets, but merely joint management, Sir Edward said that he would recommend to his Directors and shareholders that the C.P.R. assets contributing to the joint earnings of the unified system should include all the company's railway lines in Canada, Maine, and Vermont, its lake, river, and coastal steamships, its telegraph, express, and hotel systems, and, if the Government desired after considering the extremely important questions of national marine policy involved, its ocean steamships as well. He reiterated his belief that unification would mean an annual saving of 75,000,000 dollars. Of the proposal made by Mr. Hungerford, President of the Canadian National Railways, for a compulsory Corporation, he said that that plan was merely a revised version of the one made by the late Sir Henry Thornton to the Duff Commission, when he suggested a new type of board to have supreme control

of the operation of both systems. This would mean that it would have power to control the operations of the C.P.R. without financial responsibility for the results.

The Senate Committee failed to produce any acceptable remedy of the railway problem, but legislation of the session included the passing of a Bill to create a Transport Commission to include the control of railways, inland waterways and air lines as to operation and rates. Motor traffic, coming within Provincial jurisdiction, was excluded from the new Act.

Disallowance of two Alberta Acts, bringing to 13 the number of Alberta measures either disallowed or rejected by the Courts, was announced by the Prime Minister in June. The measures, passed at the last session of the Alberta Legislature, were "An Act for the Security of Home Owners" and "The 1938 Securities Tax Act." Petitions for disallowance of nine Acts were considered by the Government, and it was indicated that four more Acts and two amendments would ultimately be vetoed. These included "The Limitation of Actions Act, Amendment Act, 1938," "The Debt Proceedings Suspension Act," and two Debt Adjustment Amendment Acts. Announcing disallowance of the two measures, Mr. King stated that Premier Aberhart and his Government had deliberately invaded the Federal legislative field and had legislated "in a manner injurious to the public interest of Canada and contrary to the clear intention of the Act of Confederation." Mr. Lapointe, Minister of Justice, who recommended disallowance, said the two disallowed Bills constituted "the central part of the scheme of oppression and repudiation."

Canada's opposition to a suggestion that Britain should establish an air school in Canadian territory for the training of Royal Air Force pilots, led to a warm exchange of comments in Parliament at the end of the session. Mr. Mackenzie King replying to a question whether Britain was establishing an air training school in Canada, said that the Dominion would not permit even Britain to operate military and naval defences within Canada's borders. He insisted that Canada must own, operate, and control all defences within her own domain. Mr. Bennett, the former Conservative Prime Minister, criticised this view in strong terms. He said British taxpayers were bearing a staggering load for the upkeep of the Royal Navy on which Canada relied for the protection of her trade routes and ports, and he would strongly protest against this refusal. The Prime Minister contended that British airmen were welcome to come and train in Canadian air schools but the Government would not permit Britain to establish her own schools, and that he challenged Mr. Bennett to take this to the country and fight out the issue. Some days later Senator Meighen, another former Prime Minister, also severely criticised Mr. Mackenzie King's attitude, demanding to know when the principle ever developed

in Canada that if Britain wanted to train not Canadians but her own men for her own defence, which was equivalent to the defence of the Dominion, she cannot control the training of those men on the soil of Canada. He maintained that since "the independent, separate defence of Canada is an idle dream," the best course was to prepare Canada's defence in association with Great Britain. On July 5 the Government offered to the British Government, through Sir Francis Floud,<sup>1</sup> the British High Commissioner in Canada, the facilities of the Royal Canadian Air Force for training Royal Air Force pilots in Canada.

Prorogation of Parliament took place on July 1 (Dominion Day). Principal legislation of the session included a long term programme of conservation and development, incorporating a comprehensive Housing Scheme; provision for the complete nationalisation of the Bank of Canada; a new Dominion Elections Act; a new Radio Act, and amending Acts affecting the Dairy Industry, Special War Revenue, the Criminal Code, and Farmers' Creditors Arrangements.

Reports of Royal Commissions on the Textile Industry, the Grain Trade, and Penal Reform were also presented during the session.

Immediately following Prorogation Lord Tweedsmuir left Canada for a visit to Scotland for his installation as Chancellor of Edinburgh University.

An important Conservative Convention was held at Ottawa early in July to consider the future policy of the party and to elect a new leader in place of Mr. R. B. Bennett, whose retirement had been announced in March on the grounds of ill-health. Tariff policy, Empire defence, monetary reform, and external relations were among the many subjects considered, and the Convention unanimously approved a change in the name of the party from "Liberal Conservative" to "National Conservative." Dr. R. J. Manion, a former Minister of Railways, was elected Leader of the party, and shortly afterwards he had conference with a group of prominent Conservative supporters to discuss plans for reorganisation.

On July 29 the British Air Mission to Canada met at Ottawa. Its members were Sir Hardman Lever, Mr. F. Handley Page, Chairman of the Society of British Aircraft Constructors, and Mr. A. H. Self, of the Air Ministry. Later they were joined by Marshal of the Royal Air Force, Sir Edward Ellington, who had travelled from Australia, and, after conference with the Minister of National Defence and Government officials, proceeded to enter into negotiation with the principals of the Canadian Aircraft industry for the manufacture of large bomber aircraft in Canada.

<sup>1</sup> Succeeded as High Commissioner during the autumn by Sir Gerald Campbell, K.C.M.G.

Subsequently contractual arrangements were made with a new central company, Canadian Associated Aircraft Limited—established expressly for the purpose of the scheme—which had undertaken to maintain during the next ten years a manufacturing capacity available for heavy type aircraft. Preliminary negotiations were also completed with two Canadian companies for the manufacture of fighter and reconnaissance types.

Reforms in Canada's penal system were announced by Mr. Lapointe on August 4. These were the first steps to implement the recommendations of the Royal Commission on Prisons and Penitentiaries. The Minister explained that although the Penitentiaries Bill, which unanimously passed the House of Commons during the recent session, had not become law through the action of the Senate, the Government intended to proceed as far as possible under existing statutes and power of regulation with carrying into effect some of the reforms sponsored by the Royal Commissioners.

President Roosevelt paid a short visit to Canada on August 18, when he took part with the Canadian Premier in the opening ceremony of the new Thousand Islands Bridge over the River St. Lawrence. In a memorable speech at Kingston, emphasising the fact that North America was no longer insulated from the rest of the world and stressing the friendship of the Canadian and American peoples, President Roosevelt declared :—

Even if our hopes (of world peace) are disappointed, we can assure each other that this hemisphere at least will remain a strong citadel in which civilisation can flourish unimpaired. The Dominion of Canada is part of the sisterhood of the British nation. I give you the assurance that the people of the United States will not stand idly by if the domination of Canadian soil is threatened by any other Empire. Civilisation is not national, it is international. This truth is being challenged in other parts of the world, but the people of America are largely responsible for maintaining that tradition.

On August 25 Lord Stanley, Secretary of State for the Dominions, was the guest of the Government of Canada and performed the opening ceremony at the Jubilee of the Canadian National Exhibition at Toronto. During his visit he said he was impressed by the general appreciation shown by all classes of Canadians of the work of Mr. Chamberlain, the British Prime Minister, and it was a source of encouragement to him to know that such "frightful responsibility" as his colleagues of the British Cabinet assumed was appreciated overseas.

In September announcement was made of the extension of the Canada-New Zealand Trade Agreement for another year. Canada agreed to remove the exchange dumping duty on butter on the understanding that New Zealand would co-operate reasonably in limiting shipments so as not unduly to prejudice Canadian producers.

As a result of allegations made by Colonel Drew of excessive

profits in the manufacture by Canadian contractors of the Bren Gun for delivery to the British Government, the Cabinet appointed (September 8) Mr. Justice Davis of the Supreme Court of Canada as Commissioner to investigate these charges. The Prime Minister (who had been unwell and later left for a holiday in Florida) issued a statement in which he said that the Government had ordered the inquiry because they desired that in connection with the defence programme there should not only be no wrongdoing but be no suspicion of it.

The European crisis of September and the imminence of war was followed with Dominion-wide interest and concern. In a statement made by Mr. Mackenzie King (September 17) on Canada's position, he praised the courage and vision of the British Government in their efforts to avert war, and said that if, unfortunately, these efforts failed it would become necessary for the Governments and Parliaments of all countries directly or indirectly concerned to determine the course to be followed. The Government of Canada were examining all possible contingencies and would be prepared if occasion arose to summon Parliament forthwith to submit their recommendations. Meanwhile they did not consider that controversy about action in hypothetical contingencies would serve the cause of peace or the unity of Canada or the Commonwealth. He pointed out the restraint shown by the British Government in public statements, and said that all Canadians would share his fervent hopes that their fine endeavours to preserve peace would be crowned with success.

Special Cabinet Meetings were held and Mr. Chamberlain's broadcast message was heard all over the Dominion. Canadian sentiment as reflected in leading articles throughout the Press was solid for the assumption of full obligations as a partner in the Commonwealth in the event of war, and after the British Premier's second visit to Germany, resulting in the Munich Agreement, expressions of gratitude and admiration were nationwide.

News of the proposed visit of King George VI and of Queen Elizabeth to Canada during 1939 were received in October with universal acclamation, and arrangements for their itinerary were placed in the hands of a committee of senior members of the Cabinet, in consultation with appointed officials of the Provincial Legislatures so that all plans might be co-ordinated.

On November 10 Mr. Lapointe, speaking at Galt, Ontario, announced that when the Report of the Royal Commission on Dominion and Provincial Relations—which had visited all parts of Canada during the year to hear evidence from Provincial Authorities as well as economic experts—became available, a National Conference would be summoned. It was proposed



to have all Provinces represented to discuss constitutional problems and to find a way out of constitutional difficulties obstructing a scheme for unemployment insurance and other matters which in their nature required Federal jurisdiction for successful administration.

Three Federal By-Elections were held on November 14. Dr. Manion, the new Leader of the National Conservative Party, who was elected for London, Ontario, polled 11,694 votes and his opponent, Mr. Hall (Co-operative Commonwealth Federation), 8,440. Here and in South Waterloo, Ontario, where Mr. Karl Homuth (Conservative) was returned in a three-cornered contest, there was no change. Liberals gained the seat at Brandon, Manitoba, where Mr. J. E. Matthews was elected in contest with Mr. Baubier (Conservative) and Mr. Wood (Co-operative Commonwealth Federation). By the Brandon victory the Liberal Party achieved the strongest Parliamentary representation in its history.

The new Trade Treaty with the United States which had occupied much attention during the summer months was signed at Washington on November 17. The treaty was the outcome of sustained collaboration between delegates from Canada, the United States, and Great Britain simultaneously with the framing of the new United States-United Kingdom Trade Agreement. Mutual concessions proved to be wider in scope and larger in size than had been expected in Canada. Of the Canadian concessions the most important was the removal of the special Excise tax of 3 per cent. on the value of imports from the United States enumerated in the agreement. There were many tariff changes covering imports valued at about 280,000,000 dollars during the last fiscal year. The mining, lumber, and construction industries welcomed the reduction in the cost of their equipment, and the same industries, together with Canadian agriculture and fisheries, gained many valuable concessions by the reduction of the American tariffs affecting imports from Canada, valued at 327,500,000 or 83 per cent. of total Canadian exports.

Canadian motor manufacturers and textile industrialists were critical of the effects of the treaty, while the representatives of Eastern ports and ports of the Great Lakes feared that the abolition of the British 6 per cent. preference on Canadian wheat would result in the diversion of a substantial volume of the grain traffic from Canadian to American ports.

Various industrial interests also pressed the Government to denounce the existing trade treaties with Germany and Japan. claiming that those countries, with Italy and other countries (buttressed by export subsidies and State-controlled economic organisation), having trade treaties with Canada containing a most-favoured-nation treatment clause, would expect under that clause all the tariff concessions accorded to the United States.

The problem of Jewish refugees was reflected in a statement

made by the Prime Minister (November 25) when he announced that a delegation representative of the leading Jewish organisations in Canada had conferred with Mr. Crerar, Minister of Immigration, and himself. He said the Government would devolve their policy after the most careful consideration of all aspects of the problem and in the light of information received from other interested countries about their plans. The Federal Government were already taking steps to relieve anxiety about the ability of Jewish refugees from Germany to enter Canada under temporary permits. They would be guided by humanitarian considerations in their treatment of such refugees who were already in Canada. However, at the annual conference of the Trades and Labour Congress and other Labour bodies held in December, there was opposition, particularly from the Federated Catholic Workers, against the relaxation of immigration regulations for the benefit of Jewish refugees.

### *Provincial*

*Alberta.*—In Alberta the Aberhart Government continued their efforts to implement their Social Credit policies, but the validity of several measures passed by the Legislature was repudiated by the Federal Government. Judgments of the Supreme Court of Canada supported the powers of the Governor-General to disallow, and of the Lieutenant-Governor to withhold, Royal assent to the disputed legislation.

Acting upon a Resolution passed in 1937 by the Legislature, the Alberta Government declined to submit briefs or to appear before the Rowell Commission on Dominion-Provincial Relations.

The Budget presented on February 25 included a large number of new taxes including a levy on the value of securities, especially mortgages, farm lands, and other Alberta property, and also increases in Succession (Estate) Duty and Corporations Income Tax. Deficit in the current fiscal year was estimated at 1,500,000 dollars with the debenture debt still based on the reduced interest rate. Otherwise the deficit would have been about 6,000,000 dollars. No provision was made to meet the defaulted Bond issues. Mr. S. E. Low, Provincial Treasurer, said "there is no way at present in which these can be met, nor under present conditions can we refund the entire debt of the Province. Interest rates are based on the capacity of the people to pay." The estimated cost of the operation of the Social Credit Board and Commission was increased from 50,000 to 100,000 dollars.

At a Special Session in November a drastic Oil and Gas Resources Conservation Act, involving almost unlimited powers to control the production and management of Alberta oil wells, was passed by the Legislature.

*British Columbia.*—Mr. Pattullo, Liberal Premier of British Columbia, in a Broadcast to the Province (March 30) announced his intention to follow up his Government's recent claims before the Rowell Commission with direct negotiations in the Federal capital for the revision of taxation as between the Dominion and the Province. The Premier also advocated the complete exclusion of Japanese from British Columbia by expelling all Japanese who had entered illegally, refusing admission to all Japanese in future, and arranging for the return to Japan of as many as possible of those already in the Province. Other matters for discussion with Ottawa were the annexation of the Yukon Territory by British Columbia and the building of a British Columbia-Alaska Highway in co-operation with the United States.

Although the 1937 trade returns showed remarkable progress in production in the basic industries of the Province, unemployed and strike riots occurred in June in Vancouver and Victoria when fifty people were injured. These disturbances were settled by increased relief rates offered by the Government.

Prospects for British settlers were investigated by Sir Henry Page Croft and Mr. R. S. Dalgleish, both from Great Britain, in co-operation with the British Columbia Government.

At the second Session of the Legislature (October-November) Mr. Hart, Minister of Finance, announced a deficit of 33,000 dollars for the fiscal year 1937-38. The revenue for the year was 31,000,000 dollars, the highest in the history of the Province, but the cost of relief, including the works programme and loans to Municipalities, was over 5,000,000 dollars.

*Manitoba.*—During the early summer Premier Bracken submitted his Government's brief to the Rowell Commission. He advocated the transfer to the Dominion Government of Old-Age Pension administration, half the cost of national trunk highways, hospitalisation, mental institutions and child welfare, in addition to Federal assistance in public health and technical education. Mr. Bracken also pressed for reduction in the debt burden of his Province partly by transferring a portion to the Dominion Government and partly by refunding. Currency policy and Canadian exchange rates were also features of Manitoba's brief.

Despite a large increase in mineral production, there was some curtailment during the year of mining exploration and development work in the newer ventures of the Province owing to lack of capital. Grain crops were satisfactory in point of yield but depressed prices for wheat seriously reduced crop values.

Revenue receipts for the fiscal year showed a surplus of about 600,000 dollars, but the Provincial Treasurer's statement did not include provision for Manitoba's share of relief costs or the

special grant to the Province of 750,000 dollars from the Federal Government.

*New Brunswick.*—The New Brunswick Legislature held a short session which opened in February but there were no outstanding legislative or political developments. In common with the other Maritime Provinces, Premier Dysart, presenting the case of New Brunswick before the Rowell Commission, expressed his Government's grievances against the effect of Federal policies which had militated against the shipping and general prosperity of the Eastern Provinces. A claim was also advanced for the payment of 15,000,000 dollars as the share of the Province of the undistributed "Halifax Award" respecting fishing rights.

Budget figures revealed a surplus of 29,000 dollars and revenues were estimated at 8,500,000 for the current fiscal year. Increased taxation on incorporated companies and new gasoline taxes and licence fees on commercial vehicles were proposed to cover further development of the Province's permanent policy of road improvement.

In a reorganisation of the Cabinet during the year Mr. Dysart, the Premier, assumed the Chairmanship of the New Brunswick Electric Power Commission.

*Nova Scotia.*—In the Nova Scotian Government case for the readjustment of Dominion-Provincial relations, the Provincial Government services were submitted as being below the normal Canadian standard and required 1,500,000 dollars a year in addition to the existing subsidies from the Federal Government. Mr. Angus Macdonald's Ministry considered that Nova Scotia's own revenue resources were too limited to provide adequate education, health and social services and asked the Dominion Treasury to assume the full cost of Old-Age Pensions and Widows' Allowances. In return the Provincial Legislature would concede all income tax and estate tax, estimated at 300,000 annually in revenue. Confederation was declared to be detrimental to the economy of the Province, causing through tariff and transportation policies the centralisation of industry and finance in the central Provinces.

Need for increased revenue to meet charges and to provide enlarged public services was emphasised by the Premier in presenting his Budget in March when he estimated income at 11,653,961 dollars and expenditure at 11,646,062 dollars for the current year. For the fiscal year ended November, 1937, the surplus was 62,389 dollars.

In November the Federal subsidy on Nova Scotia coal shipped to Ontario was increased to enable Nova Scotian producers of bituminous coal to compete in Ontario with coal imported from the United States.

A flying squadron for women, believed to be the first in Canada, was organised at Halifax.

*Ontario.*—Mr. Hepburn, Liberal Premier of Ontario, whose hostility to the Federal Liberal regime remained unabated, presented a preliminary brief before the Rowell Commission, assisted by a leading Canadian economist, but he strongly criticised both the method of appointment of the Commission and the belief that investigation by such a Commission was the best way to deal with the problem of Dominion-Provincial relations. Later (in August) Mr. Hepburn announced that his Government would have no further discussion with the Commission because, he alleged, the Federal Government had broken their pledges, that there would be no tax changes until the Commission had reported, by recent enactments involving new taxation. He charged the Dominion Government with shirking their responsibilities and failing to fulfil their promises to assume a greater part of the burden of relief costs. Mr. Mackenzie King, the Dominion Premier, published the correspondence relating to these questions, in which he explained the need of measures to check tax evasion, but Mr. Hepburn's attitude was unchanged.

Controversy over the export of hydro-electric power to the United States took a new turn when the Government of the United States rejected Ontario proposals to export surplus power and to regard as exclusively Canadian the diverted waters of the Kenogami River project. Mr. Cordell Hull in his despatch (tabled in the Federal Parliament) intimated that such schemes could be considered only in connexion with negotiations for a comprehensive St. Lawrence Waterways scheme.

Difficulties were also experienced in the constitutionality of certain Ontario legislation of the session relating to Child Protection which were challenged by the Dominion Government and the issue was taken to the Supreme Court of Canada.

Financially, the credit of the Province achieved the highest point for many years which the Government claimed to be due to its sound financial policies. Revenue for the fiscal year was 97,750,000 dollars and expenditure 94,750,000.

Speaking to an audience composed largely of Americans in October, Mr. Hepburn asserted that Canada and the United States should become an "economic entity" to protect themselves against a slump in export trade. He added that Japan, Italy, and Germany had shown to the world that their ambition was to make themselves self-contained Empires by conquest. Canada and the United States had never considered conquest but should co-operate along more peaceful lines.

Steps were taken by the Ontario Legislature to co-operate with the New York State authorities in building a new international bridge across Niagara Gorge to replace the Falls View Bridge which was destroyed by ice-pressure early in the year.

*Prince Edward Island.*—The affairs of this Province continued without events of special interest apart from the representations

of the Government (Mr. Thane Campbell, Premier) to the Rowell Commission. In common with four other Provinces—British Columbia, Saskatchewan, Manitoba, and Nova Scotia—the Government of Prince Edward Island favoured the transfer to the Dominion Government of all those services which it was considered could best be controlled by Central authority, with a greater degree of financial assistance and fuller taxing powers by the Provinces.

A General Assembly of the Legislature was opened in March at Charlottetown and a number of measures affecting taxation of personal property and companies, land assessment, co-operative Associations, the regulation of establishments for tourists, the protection of milk producers, distributors and consumers, securities for seed grain advances and other matters were enacted.

*Quebec.*—In Quebec great emphasis was laid by the Duplessis Ministry (National Union Government) on steps for the suppression of Communism and the dangers of centralisation of Governmental powers. The "Padlock Law" of the previous session, by which the Legislature took powers to close the offices of any subversive organisation, came into public prominence and was the subject of a petition by its opponents to the Federal Government.

The Premiers of Quebec and Ontario met in conference and later the Rowell Commission was notified that Quebec refused to recognise the authority of the Federal Government to appoint individuals to a Commission to investigate Dominion-Provincial relations.

An improvement in Provincial finances was announced by the Provincial Treasurer (February) when he forecast revenue for the year 1938-39 at 57,034,433 dollars, ordinary expenditure at 49,554,354 dollars, and extraordinary expenditure at 7,427,887 dollars.

Mr. Adrien Arcand, head of the newly-formed "National Social Christian Party"—regarded as the Fascist group of Quebec—took steps to co-ordinate the programmes of his party with those of similar movements in Ontario, but a "National Convention" arranged at Kingston, Ontario, was banned.

At the Quebec Liberal Convention held in June under the leadership of Mr. Adelard Godbout, the Liberals launched a new election programme which included the granting of votes to women—Quebec being the only Province of the Dominion where women had no vote—the creation of a Youth Ministry, the abolition of the Legislative Council, the adoption of new relations between employers and employees, and the establishment of State control of the hydro-electric system.

*Saskatchewan.*—The General Election held in Saskatchewan on June 8 created unusually wide interest owing to the activities of Albertan Social Credit advocates in the election campaign.

The Patterson Ministry had been struggling with problems arising from a series of calamitous droughts involving huge expenditures on public relief and there was apprehension in other parts of Canada that Social Credit would gain many converts. At the polls, however, Social Credit was decisively rejected. The Liberal Government was returned with a reduced but substantial majority, holding 37 seats against Co-operative Commonwealth Federation 11, Social Credit 2, and Independents 2. The whole Cabinet, including Mr. W. J. Patterson, Premier, were returned to power.

The Provincial Treasury closed its fiscal year (April, 1938) with a revenue deficit of 191,940 dollars. This was the best financial position since the surplus of 1929 of 1,130,000 dollars. The Premier said the low deficit had been made possible by a subsidy of 2,000,000 dollars from the Dominion Government to meet extreme conditions. The expenditure for the year was 19,306,526 dollars and revenue 19,114,586 dollars.

### CHAPTER III.

#### THE UNION OF SOUTH AFRICA—SOUTH-WEST PROTECTORATE— SOUTHERN RHODESIA—THE NATIVE PROTECTORATES.

##### UNION OF SOUTH AFRICA.

REPERCUSSIONS of a year of crisis in Europe were felt in varying degrees throughout the sub-continent. The possibility that South Africa might become involved in a war not of her own seeking caused the gravest anxiety everywhere between the Cape and the Zambesi, and in the Union, particularly, tended to dwarf the importance of matters of considerable domestic concern.

Mr. Oswald Pirow, as Minister of Defence, was quick to sense public perturbation, and with commendable alacrity he hastened to assure it that the Government was taking immediate action to give adequate protection to the land frontiers of the country. The sea defences, as he explained early in the New Year, might well be left to the British Navy. Addressing the Burger Commandants' Conference, he emphasised that the Government's aim was to prevent an enemy crossing or coming near enough to the borders to threaten the Union's vital interests. The Government had therefore decided to proceed with the erection of a factory for the large-scale manufacture of heavy guns, and to make provision for extra forces of aircraft and horsemen to patrol the northern desert areas. Later on, in Parliament, Mr. Pirow elaborated the Government's defence plans, and foreshadowed the expenditure on them of 6,000,000*l.* within the next two years.

The last session of Parliament before the General Election was

opened by the Governor-General, Sir Patrick Duncan, on February 11, and when it was dissolved on March 16 South Africa's first National Government completed its five-year term of office. (The Government resulted from the merging in 1933 of the majority of the Nationalist Party under General Hertzog, and the South African Party which had formed the official Opposition under the leadership of General Smuts. The new group became known as the United Party, and the title of official opposition fell to a dissentient section of the Nationalists under Dr. D. F. Malan, a former Minister of the Interior.)

When the country went to the polls on May 18, it did so in the certainty that supporters of the Government would be returned in a big majority of the 150 seats, for although the Nationalists might have made converts among that section of the voters which refused to recognise the quality of toleration or the advantages of compromise, the feeling of the country as a whole was undoubtedly behind those statesmen and politicians who had demonstrated the practical benefits of fusion. The result of the election fully justified the most sanguine hopes of Government supporters, for the returns showed none of the sensational changes which the tactics of the Opposition had striven to bring about by base appeals to racial prejudice. The new House was constituted as follows :—

	New Parliament.	Old Parliament.
United Party . . . .	111	116
Nationalists . . . .	27	21
Dominion Party . . . .	8	5
Labour Party . . . .	3	4
Socialists . . . .	1	1
Independents . . . .	0	3

The election was, as General Hertzog described it, "a decisive victory in the interests of national unity."

Ministers immediately forecast the lines of Government policy during the ensuing five years. General Smuts, speaking in Johannesburg, said it would be the aim of the Government to maintain the best possible relations, friendship, and co-operation with Great Britain and the other members of the British Commonwealth of Nations. "That position is final," he declared. "We are not thinking of secession. Even though some of our old republicans sometimes talk of republicanism, they have bound themselves in honour as members of our party and adherents to our policy to stand by the British Commonwealth of Nations." He outlined a number of domestic reforms which the Government intended to undertake, including the expenditure of 18,000,000*l.* on slum clearance.

Mr. Pirow, in a speech at Pretoria, gave ample justification for the Government's heavy expenditure on defence measures. For centuries the Cape had been the gateway to the East. In



a future war it might well become the gateway to the West. Freedom brought its own obligations, and people must not think that the Union was living in a water-tight compartment, shut off from the rest of the world. Although Mr. Pirow thought that a major war in Europe was improbable, he visualised the possibility of war between East and West, and said that should this happen South Africa, owing to its geographical and strategical position, might not be able to keep out.

General Hertzog made but few changes in the reconstruction of his Cabinet, but one appointment aroused a storm of criticism. Mr. A. P. J. Fourie, who had served in the previous Parliament as Minister of Commerce and Industries, found himself without a constituency after the election, he having been defeated in a three-cornered contest at Gordonia. His retention in office, therefore, created a considerable amount of feeling and involved the Prime Minister in as embarrassing a controversy as did the omission of "God Save the King" from the Union Day ceremonies in Cape Town. Mr. Fourie's position was not less embarrassing, for he faced the possibility of being automatically disqualified from taking office if by the opening of Parliament he had failed to find a seat. Such indeed was Mr. Fourie's fate. He was in the political wilderness from the day Parliament met, July 22, until early in September when the Prime Minister was enabled to nominate him for a vacant seat in the Senate as a Senator representing the Coloured Races.

The Prime Minister's action was deeply resented both in the House and beyond it, and when it was announced two members of the Cabinet, Mr. J. H. Hofmeyr, Minister of Mines, Education, and Social Welfare, and Mr. F. C. Sturrock, immediately resigned.

Fortunately, the anthem problem, which at one time threatened to develop into another Cabinet crisis, was solved more amicably—or, in view of the nature of the solution, compromised in a more friendly spirit. As on other subjects involving the language question, opinion was divided of racial lines, the Afrikaans-speaking members urging the adoption of "Die Stem" as the official national anthem, and the English-speaking section of the House defending the time-honoured tradition of "God Save the King." The controversy might have lasted until the end of the session and grown more and more embittered had not both sides after an all-night sitting endorsed a declaration by the Prime Minister that the Union had no official national anthem until the English and Afrikaans sections agreed upon an appropriate one.

Until Parliament was prorogued early in October, much time was occupied in debating defence and neutrality questions. The desire for a declaration of Government policy in the event of a European war was general, and it sprang from a feeling that

Nazi activities in the South-West Protectorate might, in view of the European situation, suddenly confront the country with a perilous hazard. The Nationalists pressed for a declaration of neutrality. The Dominion Party argued that as the Union was an integral part of the Empire it had specific obligations. General Smuts frankly stated that in his opinion South Africa would assist Great Britain if attacked in war-time, but the Prime Minister wisely preferred to postpone a decision until the moment arrived for coming to one. In the end the Nationalists had to be content with the assurance that when the time came the people through Parliament would decide.

Mr. Pirow's visit to Europe towards the end of the year aroused widespread interest and was the cause of much speculation, although no secret had been made of its objects. Rumour asserted that the Minister of Defence had been charged to strike a bargain with Germany over the colonial question, and that the partition of Portugal's African possessions was to form part of the price. Rumour, as events proved, was as unreliable as ever. Mr. Pirow did visit Lisbon, to pay a courtesy call on the President ; he also inspected some of the battle-fields of Spain. In England he was fêted and engaged in conferences which had to do with the defences of the Union. In Germany Mr. Pirow saw Herr Hitler. What passed between them has not been stated, but so much gossip centred around this trip to Berchtesgaden that Mr. MacDonald thought it advisable to assure the House of Commons that neither directly nor indirectly had the distinguished visitor been authorised to express the British Government's views regarding the colonial question.

Just prior to sailing from Southampton on his return to Cape Town on December 9, Mr. Pirow allowed himself to be interviewed. He denied that he had had a colonial mission, and explained that his main objects had been to purchase certain defence equipment, to discuss questions of mutual interest with the representatives of the countries he had visited, and as Minister of Commerce as well as of Defence, to inquire into various aspects of the Union's trade relations with European countries.

One of the most memorable and spectacular events of the year was the celebration of the Great Trek. The programme, spread over several days, included a symbolic trek by eight ox-wagons from Cape Town to Pretoria where the corner-stone of the Voortrekker Monument was laid on December 16. It is to be erected on a hill guarding the southern entrance to the city, and will take about five years to build. Its cost is estimated at 175,000*l.* Messages expressing goodwill were sent by King George VI, Queen Wilhelmina of Holland, and the Secretary for the Dominions in the name of His Majesty's Government.

## SOUTH-WEST PROTECTORATE.

Throughout the year the Protectorate was a political storm centre, the Union Government as the Mandatory Power having its policy of economic and racial appeasement continually obstructed by the Nazi element of the German population emboldened by Herr Hitler's diplomatic successes in Europe. The European population consists of about 30,000, of whom 21,000 are South Africans, 6,000 Germans naturalised as British subjects (mainly automatically), and 3,000 unnaturalised Germans. It was stated in the 1937 report of the Administration of the Protectorate—presented to the Council of the League of Nations at Geneva in September—that as regards the relations between the various sections of the European population, the mellowing influences of time and necessity were co-operating for the promotion of common interests and would gradually exercise their beneficial effects. Unfortunately, there was very little apparent in the situation to justify this pious opinion.

General Hertzog informed the House of Assembly in August that the German Government took the view that the London Agreement of 1923 (*vide* ANNUAL REGISTER, 1937, p. 131) did not go further than mere recognition of the Mandate as an accomplished fact at that time. The German Government did not concur that the agreement dealt with the future of the territory or in any way prejudiced the right of the Reich Government to claim all its colonies, including South-West Africa. The Union Government, on the other hand, continued the Prime Minister, contended that the documents specifically dealt with the future of the territory, and that the German Government had undertaken to advise German nationals settled in it to throw in their lot with South Africans and accept Union citizenship.

In order to counteract the subversive activities of the *Deutscher Sud-West Bund*, a League was formed in Windhoek in November under the chairmanship of Lieut.-Colonel H. F. Lardner Burke, D.S.O., to uphold the maintenance of the Union Government's authority in the Protectorate. In this resolve the members of the organisation were encouraged by the spirited declaration of General Smuts, at Maritzburg, Natal, that the Union Government would defend South Africa and her vital interests, including South-West Africa, to the uttermost. To the native chiefs of the Protectorate—some of whom, with recollections of the treatment of the Hereros in 1904, had declared their intention of migrating into Bechuanaland if Germany regained control of the territory—this reassuring statement was received with profound satisfaction.

## SOUTHERN RHODESIA.

When the Governor-General, Sir Herbert Stanley, opened the Parliamentary session in Salisbury on April 20, His Excellency was able to review a year of prosperity and progress. The Budget of the Minister of Finance, Mr. Smit, revealed expenditure during the preceding financial year of 3,168,453*l.* and a revenue of 3,434,410*l.* After providing for the improvement of certain funds, and taking into account the surplus from the previous year, there remained a balance of 174,214*l.* Of this 80,000*l.* was earmarked for the relief of taxation. For the current financial year expenditure was estimated at 3,456,407*l.* Revenue was expected to yield 3,320,000*l.*, which, with the existing surplus of 174,214*l.*, gave a total of 3,494,214*l.* The public debt was stated to be 11,373,500*l.*

It was announced in the House of Commons in February that Lord Bledisloe had been appointed Chairman of the Royal Commission which was to examine the question of closer relations between Southern Rhodesia, Northern Rhodesia, and Nyasaland (*vide* ANNUAL REGISTER, 1937, pp. 132-33). The Commission—Mr. I. L. Orr-Ewing, M.P., Mr. W. H. Mainwaring, M.P., Mr. Ernest Evans, M.P., Mr. P. Ashley Cooper, Mr. Thomas Fitzgerald, and Mr. G. F. Steel (secretary)—sailed from England in April and returned in the following August. The inquiry was a most exhaustive one, evidence being collected from natives as well as Europeans. The report of the Commission is now in course of preparation.

## THE NATIVE PROTECTORATES.

The future of the native protectorates administered by Great Britain was again under discussion in this country as well as in South Africa. During his presence in England in May and June of the previous year, General Hertzog had discussions with Mr. Malcolm MacDonald which carried the proposed transfer to the Union Government a stage further (*vide* ANNUAL REGISTER, 1937, pp. 129-30). In the course of a debate on these High Commission Territories in the House of Commons on March 29, Mr. MacDonald explained that as regarded the principles involved in the proposed transfer, the British Government accepted General Hertzog's view that Section 151 of the South Africa Act had a meaning and intention which the Government did not seek to minimise. At the same time, the position of the British Government was governed by the pledges given when the Act was considered by the United Kingdom Parliament in 1909—namely, that transfer should not take place until the wishes of the natives had been most carefully considered, and that before such transfer Parliament should be given the fullest opportunity of expressing its views.

The Secretary for the Dominions went on to explain that in order to further the policy which had been laid down in the *Aide Memoire* of 1935, General Hertzog and himself had agreed to constitute a standing Joint Advisory Conference to study openings for co-operation between the Union Government and the Administrations in matters affecting the developing of the Territories. It was further agreed that the people of the Territories should be given a clear picture of the terms on which the transfer would take place, and that accordingly arrangements had been made for the preparation of memoranda by the Union Government setting forth those terms.

It was shortly afterwards announced that the Joint Advisory Conference mentioned by Mr. MacDonald was to consist of the following—Mr. C. E. Richards (Resident Commissioner of Basutoland), Captain C. N. A. Clarke (Resident Commissioner of Bechuanaland), Mr. A. G. Marwick (Resident Commissioner of Swaziland), and three members nominated by the Union Government: Mr. D. L. Smith (Secretary for Native Affairs), Dr. P. R. Viljoen (Secretary for Agriculture), and Dr. Holloway, Secretary for Finance).

Replying to the criticisms of some members of the House of Commons that the natives were not represented on the conference, Mr. MacDonald explained that the endeavour had been to constitute a body sufficiently small but sufficiently expert to do the work of the conference expeditiously and thoroughly.

Authoritative opinion in South Africa welcomed the constitution of the conference, and attached the greatest importance to the Union Government's undertaking to issue memoranda explaining the terms of the proposed transfer. It was believed that this procedure would remove opposition to transfer, much of which was due to inadequate knowledge.

## CHAPTER IV.

### AUSTRALASIA.

#### AUSTRALIA.

DURING the early part of 1938 politics in Australia mainly associated themselves with efforts to revise the Ottawa Agreement, in the interests of local primary production. Sir Earle Page, Minister for Commerce, Mr. Menzies, Minister for Industry, and Mr. White, Minister for Trade and Customs, headed a delegation which reached London in March to discuss the matter with the British Government. In the second half of the year politics were dominated by the European crisis and the problems of

local defence arising therefrom. For the rest, there was the welcome announcement of the Duke of Kent's appointment as Australia's next Governor-General, which aroused general satisfaction, and this not entirely on sentimental grounds.

Following the Australian General Election, and the reconstruction of Mr. Lyon's Coalition Government (ANNUAL REGISTER, 1937, p. 133), the fifteenth Parliament of the Commonwealth duly assembled, and foreign policy, Anglo-American trade, national insurance, and air-mail services were among the subjects dealt with during the session. The legislation included a Bill to strengthen the Commonwealth reserve bank system, and to increase the salaries of Cabinet Ministers and members of the Federal Parliament. The Prime Minister's salary was raised to 4,000*l.*, a 260*l.* deduction from the allowances of Ministers was deleted, and salaries of Federal members were raised from 950*l.* to the pre-depression level of 1,000*l.* Mr. Curtin, on behalf of the Labour Opposition, gave the measure his approval. Before the session ended on July 1 the National Insurance Bill was passed, and the trans-Tasman Air-Mail Agreement accepted.

Meanwhile, the trade delegation was at work in London, and a Memorandum of the conclusions arrived at between the United Kingdom and Australian Ministers was published on July 20. This showed that the real purpose of the conference had been to secure such a revision of the Ottawa Agreement of 1932 as would give Australian manufacturers more complete protection against competition from Great Britain, and yet extend the advantages enjoyed by Australian producers in the British market. Clause 5 in the Memorandum, however, made it plain that difficulties arose immediately any attempt was made to reconcile the admitted desirability for Australia to expand her secondary industries with the equally desirable objective that the United Kingdom should maintain her exports and secure for her exporters a stable position in the Australian market. The Memorandum pointed out that the most feasible method seemed to be to abolish Articles 9 to 13 in the Ottawa Agreement, and substitute for them a schedule of maximum rates of duty which should operate during the currency of the agreement. The principle of making trade treaties on the basis of fixed rates of duty is one which has been common to most modern international arrangements. But there are special difficulties in applying it in the case of a young and developing country like Australia, which also has a system of wage-fixing tribunals, and consequent fluctuations in industrial costs. The Australian delegates accordingly promised to investigate the possibility of adopting such a system, though realising no immediate decision was possible. The Memorandum continued :—

In the meantime, the present Agreement will continue in force, though, in order to avoid some difficulties which have presented themselves in the past, the

United Kingdom Ministers are prepared not to press their objection to the interpretations now placed by the Australian Tariff Board upon Article 10, while Australian Ministers have undertaken to make every effort to ensure that Tariff Board recommendations under Article 11 are made effective.

In the result the Anglo-Australian trade consultations effected little, but they clarified a difficult problem. Necessarily, British merchants trading with Australia find the Ottawa Agreement one-sided, while it admits Australian goods into the Home market free of duty, and yet allows Australia to charge such duties as she thinks fit on United Kingdom goods. Mr. R. G. Menzies said as much in a statement on September 12 upon the results of the trade mission. The Minister added that, personally, he had always doubted the wisdom of precise written contractual obligations between the countries of the Empire. Argument over the interpretation of various articles of the Ottawa Agreement was a splendid example of how the letter could kill. The United Kingdom's recognition of Australia's essential need for developing her manufactures meant that Australian secondary industry was no longer on the defensive. Australia must become a first-rate manufacturing country, not merely for herself but for export to her great and small neighbours.

During the year a similar trade mission visited Washington. After February 1 Australia was removed from the tariff "black list" in the United States, and received most-favoured-nation treatment, and the benefits of all reciprocal trade agreements. The Anglo-American Trade Agreement later in the year was welcomed by Australia, and Mr. Lyons announced that his Government attached great significance to the negotiations, believing they were paving the way to a fuller co-operation between two great democracies in matters which affect the peace and prosperity of the whole world. On July 3 Mr. Perkins, Assistant Minister of Trade, also announced a new Trade Agreement with Japan, having effect until June 30, 1939. The agreement ensured the sale of between 350,000 and 400,000 bales of wool to Japan in the 1938-39 season.

On March 7 Mr. Lyons announced the new immigration policy of the Commonwealth, and his Government's decision to co-operate with the Mother Country in granting assisted passages to selected classes of migrants. Reciprocity in national insurance would be arranged for such migrants, and Mr. Lyons expressed the hope that the new policy would make good the loss of 30,000 British stock which had taken place during the economic depression. During 1937-38 British immigrants decreased by 652, while there was a net gain of aliens totalling 6,769, of whom 2,896 were Italians.

The Federal Budget was introduced by the Treasurer, Mr. R. G. Casey, on September 21. For the first time since 1932, taxation was increased, the need arising from the cost of defence.

Expenditure in 1938-39 was estimated at 93,136,000*l.*, and with the revenue at 89,952,000*l.*, this meant a shortage of 3,184,000*l.* Income tax was increased by 15 per cent., and the sales tax of 4 per cent. was put up to 5 per cent. The need for additional taxation was the greater as the Commonwealth Loan Council was facing the conversion of 68,000,000*l.* of debt, 62,000,000*l.* of which bears interest at 4 per cent., and 6,000,000*l.* at 3 per cent. The conversion was duly carried through when the 68,000,000*l.* fell due in December. As for defence expenditure in 1938-39, Mr. Casey estimated this at 16,796,000*l.*, compared with 11,531,000*l.* in the previous year. With regard to the ability of the Commonwealth to meet such expenses, the Treasurer said that the net drain on London funds in 1937-38 was not more than 10,000,000*l.* sterling, and that probably at least 15,000,000*l.* sterling had been added to Australia's reserves in London in the last two years.

The first statement upon defence expenses was made by Mr. Lyons on March 24 in a national broadcast. The Prime Minister foreshadowed 24,800,000*l.* additional expenditure within three years, raising the total Army, Navy, and Air Force expenditure in the period to 43,000,000*l.* Of this, new naval expenditure would total 7,750,000*l.* A minimum of five cruisers was needed to assure Australia against coastal raids. Until 1941 either H.M.A.S. *Australia* or H.M.A.S. *Canberra* would be undergoing reconstruction, and might not be immediately available in an emergency. The Government had, therefore, decided to purchase two modern 7,000 ton cruisers of the Sydney type with 6-in. guns. The United Kingdom Government had agreed to sell two ships completed in 1936, one of which would be taken over in September, 1938, the other in July, 1939. The United Kingdom was taking the seaplane carrier *Albatross* as an offset against the cost of the cruisers. New expenditure on the Army amounting to 5,500,000*l.* would be used for strengthening coastal defences, anti-aircraft guns, and an increase of the permanent forces. A sum of 7,750,000*l.* would be provided for anti-tank guns, rifles, tanks, armoured cars, and other armament. The output of the munition factories would be considerably increased. Particular attention would be given to Darwin, where the coast defences would be strengthened, and the seaward defences completed. It was also proposed to provide an additional 8,800,000*l.* to complete the Salmond scheme within three years, increasing first-line aircraft, excluding reserves, from 96 to 198, adding two squadron stations at Darwin, one squadron station at Brisbane, three squadron stations at Canberra, two squadron stations on a site to be selected on the coast of New South Wales, and an additional squadron at Pearce, Western Australia.

Full recognition of the need for heavier expenditure upon



Australian defences was not plain until the September crisis. On November 2 the Lyons Government was faced with a censure debate, and this at a moment when a section of the Cabinet was putting severe pressure upon the Prime Minister in favour of compulsory military service. Mr. Curtin, Leader of the Opposition, opening the debate, accused the Government of blind reliance upon the United Kingdom's ability to help in an emergency, and following the Asquithian policy of "Wait and See." On October 18 Mr. Curtin had outlined the defence policy of the Labour Party, the main items being the complete mechanisation of the Army, the unification of railway gauges, the pensioning of fifteen high Army officers, thus giving room for young officers with new ideas, and the increase of the proposed Air Force of 198 aeroplanes by 50 per cent. Mr. Lyons, replying to his Labour critics on November 2, said the Government was confident Australia could voluntarily organise for national defence. One handicap on the efficiency of voluntarism was the militiamen's difficulty in obtaining leave to attend camps. Many, but not all, employers were showing their public spirit by facilitating the attendance of their employees, and continuing their pay. Enlistment in the militia was entirely for home service. The Government had no legal power to send it on service abroad. The Labour motion was defeated in the House of Representatives on November 3 by 40 votes to 28, every Government vote supporting Mr. Lyons.

Following the defence debate, Mr. Lyons announced the reconstruction of his Cabinet. Brigadier-General Street replaced Mr. Thorby at the Ministry of Defence, Mr. Thorby having been very persistent in advocating the voluntary system, together with the Prime Minister and Mr. Casey. A minority in the Cabinet, including Mr. Menzies, Mr. Hughes, Mr. White, and Mr. McEwen, however, thought that the September crisis, and the Munich Agreement, had caused a fundamental change in the international situation, which nullified Mr. Lyons' election pledge that he would not introduce conscription. The Cabinet reconstruction did not favour either party in the Cabinet dispute. Mr. McLeay, a new member, became Vice-President of the Executive Council in place of Mr. Hughes who, however, retained the portfolio of External Affairs. Brigadier-General Street became Minister of Defence, Mr. Thorby taking the new post of Minister of Civil Aviation. Mr. Cameron, an Assistant Minister, succeeded Mr. McLachlan as Postmaster-General, and Mr. H. S. Foll relieved Sir Earle Page of his portfolio as Minister of Health. As a result of the Cabinet changes, Colonel White resigned on November 8, and was succeeded by Mr. Perkins, Assistant Minister of Trade and Customs, who had acted for Colonel White during the latter's absence in Europe earlier in the year. The whole episode was damaging to Mr. Lyons and the Federal Ministry.

Brigadier-General Street made his defence policy speech at Canberra on December 6, when he announced a total projected expenditure of 63,000,000*l.* by the end of the financial year 1940-41, being an increase of 18,500,000*l.* upon that previously announced by Mr. Lyons. The Navy vote was increased to 20,548,000*l.*, the Army vote to 19,504,000*l.*, and the Air Force vote to 16,444,000*l.* Over-age destroyers were to be replaced by two Tribal class destroyers of 1,850 tons displacement, having a speed of 36½ knots, eight 4·7 in. guns, and four torpedo tubes. There would also be 12 motor torpedo-boats, which would be very speedy, and have both offensive and defensive qualities. All the vessels would be built in Australia. At the same time it was announced that an Admiralty surveyor would be invited to Australia to advise regarding a suitable site for a naval dock at Sydney, estimated to cost 3,000,000*l.* Lieutenant-General Ernest Squire was appointed Inspector-General of Military Defences, having been Director of Staff Duties at the War Office since 1936.

After a three-month session, the Canberra Parliament rose on December 9. The European crisis considerably interfered with Government business but afforded the happiest evidence of Australia's desire to co-operate with the Mother Country in every possible way. Mr. Lyons, throughout the crisis, was able to keep Australian public opinion in close touch with the changing situation, and gave Mr. Chamberlain the complete support of his Government in his efforts to preserve world peace.

In the House of Representatives, on September 27, Mr. Curtin, speaking for the Labour Opposition, said :—

The wise policy for this Dominion is that it should not be embroiled in disputes in Europe which we have not the power to solve or appease. Our first duty is to Australia. Our position is such that all our resources must be available for our own defence. Whatever else we may do as a Dominion of the British Commonwealth, no men must be sent from Australia to participate in another war overseas. We believe the best and most complete contribution we can make is to concentrate on the maintenance of the integrity and inviolability of this country and the safety of our own people.

Mr. Curtin finished his speech amid cries from the Government benches of "Send that to Hitler! Tell Hitler we won't fight!" The Australian Labour Party, as a whole, by no means approved of Mr. Curtin's pronouncement, and there was some sharp criticism of his attitude, particularly in Adelaide, where efforts were made to call together the All-Australian Trade Union Congress to define Labour's policy in the event of war with the totalitarian States. Herr Hitler and Signor Mussolini are not popular in Australian Labour circles. The Trades and Labour Council, in session at Adelaide, defined its attitude towards the Dictator countries very definitely on April 1.

State politics were necessarily over-shadowed during the year by the magnitude of happenings overseas, but a meeting of the

Australian Loan Council on October 21 indicated a desire for co-operation between States and Commonwealth, as regards expenditure upon defence measures. Mr. Lyons announced that it was proposed to ask the States to transfer part of their loan money from the works already projected to those with a defensive significance as well as a civil value. If the States agreed, Commonwealth and State experts would recommend the order of priority of works to be undertaken by the States for consideration at a later conference. A motion affirming the principle of co-operation was carried.

In New South Wales, the Stevens-Bruxner Government was returned for a third term at a State election of March 27, and the Cabinet was reconstructed in April 13, and again on October 13. Mr. Stevens's success was due to the record of sound finance, which distinguishes his political record so sharply from that of his predecessor, Mr. Lang. A budgetary deficit of 14,000,000*l.* in 1931-32 was to be compared with a surplus of 54,000*l.* in 1937-38. Mr. Stevens, as State Treasurer, introduced his 1938-39 Budget in the New South Wales Parliament on September 27.

Mr. A. A. Dunstan, the Victorian Prime Minister and Treasurer, made his Budget speech on August 3, showing a surplus of 12,000*l.* for the coming year, with no outstanding changes in taxation. Major-General Sir Winston Dugan, Governor of South Australia, was announced as the new Victorian Governor in succession to Lord Huntingfield, whose term of office is due to end in May, 1939. The South Australian General Election was held on March 25, and resulted in the return of 15 Liberals, 11 Labour members, and 13 Independents, a situation which greatly weakened the Butler Government. After delivering his ninth Budget speech on September 21, showing a deficit of 227,000*l.* for 1938-39, Mr. Butler resigned the Premiership on November 3, and was succeeded by Mr. Thomas Playford, grandson of a former Premier.

The Queensland General Election on April 1 was less stormy in its consequences, Mr. Forgan Smith being returned with a majority of 24, and becoming Premier for the third successive term.

The Western Australian Budget speech was delivered by Mr. J. C. Willcock on September 13, and revealed a revenue of 11,039,000*l.*, and a deficit of 19,000*l.*

#### NEW ZEALAND.

On October 15, 1938, New Zealand's first Labour Government called upon the electorate for a vote of confidence, after holding office for three years. The result was a surprise. Mr. Savage's Ministry only suffered the loss of a single vote and, therefore,

retained practically all of the overwhelming majority it secured in 1935, holding 54 out of the 80 seats in the House of Representatives. The fact that a Labour Ministry had the confidence of the country after its programme of advanced legislation had been tested over three years will necessarily colour New Zealand politics for many years. Contrary to predictions, the national revenue of the Dominion has increased 36 per cent., and though the expenditure has exceeded the estimated revenue, a substantial surplus has been registered in each Budget.

The Savage Ministry did not preach actual Socialism during its first term of office, but it laid the foundations of a Socialist system of government and will assuredly interpret its second victory as a mandate to go ahead. It now has a State-owned Reserve Bank, and with this power to control the currency and credit, and, in December, it took further power to control external exchange. Necessarily, the introduction tended to frighten certain property owners and there had been a considerable flight of capital, much of it to Australia. It has been estimated that 7,500,000*l.* of New Zealand capital was taken away for investment in Australia. As this was accompanied by a considerable increase in imports without a corresponding increase in exports, some control of exchange was to be expected, it being assumed that the Government could not agree to any depreciation of the New Zealand pound, in view of the promises to the electorate that there should be no rise in the cost of living. The Savage Government explains its economic policy in the phrase "we will insulate the Dominion against a world depression." As justification for their belief in their economic schemes, Mr. Savage's Cabinet emphasised that, since the Government came into power, the total of private incomes had risen from 103,000,000*l.* in March, 1935, to 150,000,000*l.* in March, 1937. The rise was regarded as more than covering any growth in taxation, consequent upon Labour's social policy.

Opposition to the Labour Government in the General Election was led by Mr. Adam Hamilton, who appealed to the electorate to restore to the farmers control of their own produce, though giving them a minimum price guarantee, and also give back freedom to private enterprise in other directions threatened by Socialist legislation. In general, the Opposition blamed the Government for utilising a period of good trade, not to reduce taxation, but to finance a series of public works which might be profitable in good times, but were certain to be a burden upon the State when prices of primary products fell and trade slackened. Incidentally, it is interesting to recall that, under the Labour Government, debates in the New Zealand Parliament were broadcast regularly during the sessions from 2.30 p.m. to 11.30 p.m. and proved very popular, particularly in the country districts. The Labour Party in New Zealand controls no newspaper press and

does not own a single daily newspaper, so the daily broadcasting of the debates was particularly welcome to its supporters.

In a national broadcast on May 9, Mr. Hamilton said that the prosperity for which the Labour Party claimed credit was largely due to enhanced prices for exports and the sound economic basis established by earlier administrations. The Government had increased expenditure enormously, but had failed to show how they would maintain the services if oversea prices declined. They had encouraged spending, but discouraged thrift, as in the superannuation plan, which withheld benefits from persons with reasonable private savings. Mr. Hamilton stated that the Nationalists would abolish compulsory trade unionism, but retain the arbitration system, and leave the fixing of working hours to the unfettered decision of the Arbitration Court. In the event, Mr. Adam Hamilton was no more successful than Mr. Coates and Mr. Forbes had been in 1935, and the new National Party suffered a signal defeat.

The outstanding industrial project so far undertaken by the State of New Zealand came under discussion on March 4, when a Bill authorising the establishment of an iron and steel industry in the Dominion was introduced in the House of Representatives. The measure vested the entire rights of mining ore in the Crown, and the New Zealand Government was empowered to borrow 5,000,000*l.* to establish the industry at Onekaka, Nelson Province. Three commissioners were placed in control of the enterprise, and an account was opened at the Government Reserve Bank. The mining privileges held by the existing Onekaka Company were revoked, though compensation was promised in the Government Bill. Mr. Sullivan said that the industry would employ 1,500 men, and would be under the technical supervision of Brasert & Company of London. The Minister of Industries and Commerce added that New Zealand consumed 100,000 tons of sheet, bar, and wire products annually, besides rails, pig-iron, and steel in the smaller sections, and the initial production of the plant would be 85,000 tons annually. The Government did not intend to attempt the manufacture of the heavier steel sections or ship's plates for some years, and would still require to import about 75,000 tons, which could not be economically produced. The Bill was agreed to when the session closed on March 15.

Addressing a Labour Party meeting at Wellington on February 28, Mr. Savage announced that a National Superannuation and Health Insurance Bill would be passed during the final session of the existing Parliament, and, later, the Prime Minister explained the measure in detail in a broadcast on April 3. Following the re-opening of Parliament on June 28, the Social Security Bill was introduced in the House of Representatives on August 12, and will become operative on April 1, 1939. The pension benefit proposed was 30*s.* weekly at 60, provided it did not bring the

total weekly income of a single person to more than 50*s.* or of a married couple to more than 80*s.* Widows', orphans', and invalid pensions, and sickness and unemployment benefits were included on a similar scale. The Bill also provided for the gradual introduction of universal superannuation with payment, beginning in 1940, of 10*l.* a year without a means test to every person aged 65, increasing by 50*s.* a year until 78*l.* is reached. Health benefits, which will be available without a means test, included the services of a general practitioner and the right to use public hospitals or have part of the cost of private hospitals paid, and free maternity services. Dental and optical services will be arranged later.

The qualifying residential period for the old-age pension was fixed at 10 years for persons resident in New Zealand on March 15, 1938, and at 20 years for persons arriving later. A contribution of 1*s.* in the pound from wages and other income was payable by all persons over 16. Mr. Savage, in his broadcast, explained that the scheme would be financed by converting the existing employment tax of 8*d.* in the pound on all income into the social security contribution of 1*s.* in the pound and then adding pound for pound to the fund from the general revenue of the Dominion. After lengthy discussions the House of Representatives agreed to the Social Security Bill. The principal amendment was a partial exemption of National Provident Fund annuities from the means test in connexion with the pension scheme. The main argument of the Opposition was that the cost of the scheme was likely to prove too great for the community and that the percentage system of contributions, coupled with a means test, penalised the thrifty, in the interests of the unthrifty. Less than 5 per cent. of the New Zealand branch of the British Medical Association approved the plan for the free service of general practitioners for everyone. Mr. Adam Hamilton on August 16, speaking as Leader of the Opposition, approved the extension of benefits, but thought there was danger of the new scheme breaking down under its own weight. He estimated the proposed benefits would cost 8,850,000*l.* more than New Zealand was paying already. Anticipating this type of attack, the Speech from the Throne, delivered by Lord Galway, the Governor-General, at the re-opening of Parliament on June 28, claimed that the Government's policy measures had distributed the national income more evenly and equitably, and had expanded purchasing power. The Government had set themselves the task of building a new prosperity on more stable foundations, and were confident that it was within their power to eliminate the evil effects of alternating periods of prosperity and depression, which hitherto had been a disturbing feature of the country's economic life.

Mr. Nash, the Minister of Finance, delivered his Budget speech on July 20. Estimates for the present year were 31,710,000*l.*

from taxation (excluding employment tax, 5,370,000*l.*), and 35,840,000*l.* for total revenue, while expenditure was estimated at 35,790,000*l.*, leaving an estimated surplus of 50,000*l.* Another feature of the Budget was an expenditure on public works 20,720,000*l.*, of which 14,260,000*l.* were to be found from loan money and 6,460,000*l.* from revenue. The public debt at March 31 last stood at 290,200,000*l.*, the net increase for the year being 2,530,000*l.* Mr. Nash estimated his Customs revenue at 10,000,000*l.*, this being a decline of 795,000*l.* through the over-importation of some classes of goods last year, but income tax was estimated to yield 9,500,000*l.*—an increase of 500,000*l.* It was estimated that social services would absorb 12,774,000*l.*, an increase of 902,000*l.*, and defence 2,000,000*l.*, an increase of 396,000*l.* The estimated expenditure on public works was 20,719,000*l.*, of which 14,263,000*l.* would be derived from loans and the balance from taxation and other revenue.

Justifying this somewhat lavish expenditure, Mr. Nash claimed that the year had been one of progress and prosperity. Farm incomes and salaries and wages had reached record high levels. Mr. Nash went on to state that the progressive development of the Dominion depended on an extension of manufacturing industries as the major public works became completed. This extension must synchronise with an increase of population and a gradual diversion of employment from communications and construction to land and factories. The National Reserve Bank had made and could continue to make major contributions to development, as, for example, the financing of dairy marketing and the National Housing Scheme. The Finance Minister concluded: "The knowledge that inside sound, economic, financing procedure, whatever funds are required for development and the production of goods, can be provided by this means, gives stability to the finances of the Dominion that could not be obtained from any other source."

Mr. Adam Hamilton spoke upon financial affairs during the Budget debate on July 22, declaring that the Government were keeping 21,000 men on public works, with a programme costing 20,000,000*l.*, including 14,000,000*l.* in loans, instead of relieving the taxation which burdened industry. A decrease of 17,500,000*l.* in the London funds in two years was a danger signal. In reply, Mr. Savage explained that the London funds had previously accumulated. For three years New Zealand had paid for her imports and her overseas commitments with her exports. It was wholly incorrect to state that there had been heavy imports of foreign motor vehicles. Out of 56,000,000*l.* in imports in 1937-38, motor vehicles amounted to 7,000,000*l.*, of which 54 per cent. was from Britain, and no less than 84 per cent. from the Empire. The British manufacturers' share of New Zealand trade had increased in the past six or seven years, and New Zealand would

take even more British goods if the manufacturers could supply the goods.

On September 1 a further justification for New Zealand's heavy public expenditure was made by Mr. Semple in his annual statement as Minister of Public Works. This provided for an expenditure of 19,644,000*l.*, of which 13,500,000*l.* was to be borrowed. Last year's gross expenditure had been 15,647,000*l.* Answering criticism, Mr. Semple contended that it was necessary to consider the future needs of the country when projecting works. Improved roads, on which the expenditure of 5,000,000*l.* was projected, were necessary to safety and to meet growing transport requirements.

The chief changes in the tariff came into operation on February 28, and the increases covered many Australian and Canadian goods, boots and shoes being the only increases in the British preferential tariff. It was explained that the changes were needed to stop the growing volume of imports. The Australian Government, on the same date, recognised the right of New Zealand to develop her own internal industries and accordingly raised no objection to the increases in the tariff which affected their trade. The Canada-New Zealand Trade Agreement was extended to September, 1939, Canada removing the exchange dumping duty on New Zealand butter, on the understanding that New Zealand would not unduly limit Canadian imports. Yet another Trade Agreement was negotiated on January 13 between New Zealand and Holland, the object being to assist New Zealand's apple trade. In exchange, New Zealand undertook to extend most-favoured-nation treatment to Dutch cigars, electrical goods, and industrial machinery, terms which had already been conceded to Germany and Belgium.

During the calendar year 1937 New Zealand exports were valued at 66,700,000*l.*, the figure being a record, but in the fiscal year ended June 30, the value was only 61,900,000*l.* A decline in the price of wool was the chief factor in the fall. Imports reached their peak in the year ending March, 1938, when they totalled 58,000,000*l.* Then the drop commenced, partly due to the tariff changes already indicated.

Throughout the year the Savage Government was troubled by the size of the Dominion's import trade and the financial difficulties which it threatened. Mr. Nash announced the suspension of the statutory obligation of the Reserve Bank to give sterling in exchange for its bank notes on December 6, explaining that export licences were required to enable the Government to control sterling credits arising from the sale of exports, while regulation of imports was needed to give control over demands on sterling for imports. Mr. Nash added that in allocating credits his first step would be to provide for the overseas debt service of the Government and New Zealand municipalities and, secondly,



for the payment of imported goods which could not be produced with advantage in New Zealand. The Government fully recognised its obligation to buy as much as possible from Great Britain, and he thought trade with Britain might even be extended. In spite of these assurances firms doing business with New Zealand were far from being satisfied, as matches, paper bags, pickles, confectionery, biscuits, plateware, clocks, tools, and soap were among the goods of United Kingdom manufacture which were prohibited under the new Import Control regulations. The New Zealand Farmers' Union also protested that control was likely to increase the difficulties of primary producers in the Dominion, as they would be required to sell in the low price markets overseas, but pay in the high costs of New Zealand. In London the Federation of British Industries went so far as to claim that the action of the Savage Government might amount to a breach of the Ottawa Agreement and implied that British traders might be forced to press the United Kingdom Government to abrogate the existing Ottawa Agreement, and substitute an agreement in which the advantages enjoyed by New Zealand in British markets would more nearly accord with the treatment given to British exports. Britain, of course, buys three times as much from New Zealand as the Dominion buys in the Mother Country, though such items as interest upon loans and shipping freights must also be taken into account before the comparison is accurate.

As for the political relations between Britain and New Zealand the crises in May and September afforded ample opportunities for showing how strong are the links binding the two peoples. Speaking in Wellington on May 18, Mr. Nash declared that his countrymen hated "all this war propaganda, but if any attack is made on Great Britain we will assist her to the fullest extent possible." Mr. Jones, the Minister of Defence, on the same occasion, gave details of changes in the Dominion's defence force, including full motorisation and additional orders for aeroplanes. On July 28 Mr. Jones gave further details of changes in recruiting, in order that the defence force might be raised to its full establishment.

As for Empire migration, Mr. Savage made an interesting statement on June 30, commenting upon a report of the Overseas Settlement Board. The Prime Minister said that a greater population which was necessary to hold the territory involved primary and secondary industrial development, which could not be done unless there was some security from the British Government that Britain would take the resultant increased output of primary products. He hoped it would be possible to enter into a working agreement whereby New Zealand would spend all the money received from Great Britain on British goods and services.

The Roman Catholic Church celebrated its centenary in New Zealand in Auckland on February 27, and the following week. A Eucharistic Procession and the unveiling of a memorial on the spot where Mgr. Pompallier landed on January 10, 1838, were among the celebrations.

## CHAPTER V.

### INDIA AND BURMA.

THE first half of the constitutional structure provided for by the Government of India Act, 1935, and brought into operation on April 1, 1937, stood the test of a further twelve months' working, but the maturing plans for its extension into an All-India Federation encountered growing hostility. The strongest political element in the country agitated against the erection of the building as planned by the British Parliament, notably by persistent intervention and propaganda in many of the Indian States.

This unrest was not due to any definite failure of the completed portion of the building to meet its requirements. The relief felt by well-wishers in the last half of 1937 on the (delayed) acceptance of office in the six provinces where the National Congress had gained electoral majorities led to the turning of indulgent eyes on the evidences of the political immaturity of Ministers and their excessive haste to give effect to ambitious programmes. The provincial Cabinets were now more subjected to the ordinary critical standards; but the Viceroy (Lord Linlithgow) was able to express the opinion at Calcutta on December 19 that "on a broad view" the great experiment of the transfer of real powers to Ministers responsible to an electorate five times greater than before "has proved a marked success."

The seven Congress Ministries with which the year opened grew to nine, if the coalitions of Congress and other elements formed in Sind in March and in Assam in September can be so described. These changes left the Punjab and Bengal the only two provinces with completely non-Congress Cabinets. In Bengal, no less than in Bihar and the United Provinces, tenancy legislation promoted by the provincial Governments met with strong opposition from the land-owning classes. They held it to infringe the rights guaranteed to them under the Permanent Settlement made by Lord Cornwallis at the end of the eighteenth century. Lord Brabourne, the Governor, did not accept the appeal of the Bengal *zemindars* to withhold his assent, but Government appointed a Commission, which began work in the autumn, under the chairmanship of Sir Francis Floud, late High Commissioner for the United Kingdom in Canada, to examine the whole question of land tenure and revenue and of the effects

of the Permanent Settlement in the province. In Bombay the Government carried legislation for the restoration to the original occupants of lands in the Bardoli *taluk* of Surat district and elsewhere, which were confiscated and sold some ten years before on account of the refusal of "passively resisting" *ryots* (cultivators) to pay the enhanced land revenue assessment.

The policy of liquor prohibition was further pursued in Congress provinces on the basis of gradual extension in selected areas. These sumptuary restrictions aroused little resentment compared with that occasioned in South India by the direction of the Working Committee of the Congress to provincial Governments to impose the teaching of Hindi in the schools as a means of making it the *lingua franca* of the whole country. There was determined opposition throughout Madras, where the Dravidian tongues spoken have no affinity with Sanskrit, on which Hindi and its Nagri script are based. The picketing of schools where the compulsion was being applied was sharply checked by the Cabinet, and special powers, the enactment of which in Lord Willingdon's time had met with vehement Nationalist opposition, were called into play. The sentence of a year's imprisonment passed in December on the leader of the anti-Hindi movement, Mr. Ramaswami Naicker, an outstanding political opponent of Congress, was much commented upon, and fanned the long smouldering flames of communal hostility. When the non-Brahmins Federation met in Madras in December, the presidential chair to which he had been elected was kept vacant and speakers assumed him to be present.

The Congress Ministries continued amenable to party discipline at the hands of the Working Committee of the Congress, with Mr. Gandhi's influence dominant. A notable instance was its proscription of Dr. Khare, Prime Minister of the Central Provinces. The action of the Home Minister early in the year in releasing a man convicted of rape led the way to much internal dissension, and Ministers brought charges of nepotism and corruption against each other. Dr. Khare and two Ministers resigned early in July. The three remaining Ministers essayed to await the directions of the C.W.C., but the new Governor (Sir Francis Wylie) pointed out that this stand was unconstitutional, and dismissed them. With the two other Ministers Dr. Khare was summoned by the Working Committee to Wardha, where Mr. Gandhi lives. Dr. Khare was declared to be "guilty of gross indiscipline" and "unworthy to hold any position in the Congress organisation." When, soon after, the provincial Congress Parliamentary Party met for the election of a leader, Mr. Subhas Bose, the All-India Congress President from Bengal, took the chair, and ruled the nomination of Dr. Khare to be out of order. The choice fell upon one of the three Ministers who sought to remain in office when the Prime Minister resigned.

On the other side of the account, there were two occasions when major crises might have led to a breakdown of the new system if the Working Committee had advised against a reasonable adjustment. On February 14 the Bihar and United Provinces Cabinets gave directions for the immediate release of "political" prisoners in substitution of the policy of examination of individual cases and release where public security was not endangered. The remaining prisoners had all been convicted by the Criminal Courts of violence or preparation for specific acts of violence. In exercise of his special statutory responsibility for the tranquillity of India as a whole, the Viceroy directed the Governors to refuse the grant of a general jail delivery. The Prime Ministers tendered their resignations, and breakdown, possibly extending to other provinces, was threatened. But after twelve anxious days the crisis was ended by a compromise. The Governors expressed themselves willing to follow the advice of their Ministers on the remaining unexpired portions of sentences in cases already examined, and Ministers agreed to take up the remaining cases individually. It should be noted here that in Bengal a subject of perennial controversy was wiped off the slate by Government completing the policy begun by Sir John Anderson, when Governor, of releasing *détenus*, after the examination of each case, from the limitations placed upon their movements. By August 24 the last person kept under such restraint was given complete freedom.

The second threat of major crisis came at the end of April, when objection was taken by the Orissa Cabinet to the appointment of Mr. J. R. Dain as acting Governor, on the ground that, as Revenue Commissioner of the province, he was a subordinate of the Ministry and might return to that status. The danger of breakdown was averted by Sir John Hubback, the Governor, asking for the cancellation of his four months' leave for the time being. When Sir John took his holiday at the end of the summer the acting Governorship was filled by a Civil servant from another province.

While Congress continued to profit from the lack of cohesion and constructive aims on the part of other elements in the body politic, the All-India Muslim League, under the forceful leadership of Mr. M. A. Jinnah, gained a large membership, and much influence, notably in the Punjab and United Provinces. After prolonged and infructuous discussions earlier in the year with Mr. Gandhi and other leading Congress men, with a view to reaching some measure of agreement, Mr. Jinnah, speaking at Karachi in October, complained that the Congress "high command" had adopted a most brutal, oppressive, and inimical attitude toward the Muslim League. Mr. Fazlul Huq, Prime Minister of Bengal, said on the same occasion that minority interests were jeopardised in Congress provinces, and the

Congress meddled with the Ministries elsewhere. Meeting at Patna at the end of December the League declared the Federal scheme to be unacceptable.

Communal differences led to serious outbreaks of violence in the spring at Allahabad, Bombay, and Lucknow, and later at other centres. Nor were they absent from the play of forces in connexion with the chief political anxiety of the year, especially in the closing months—that of external interference in the affairs of Indian States in connexion with the Federal provisions of the Act of 1935. Though the Hindu Mahasaba declared itself in January in favour of Federation, the great bulk of Nationalist Hindu opinion remained firmly hostile to the statutory plan. The Congress Press repeatedly stated that attempts to establish the plan would encounter an organised opposition stronger than anything that had been faced in the political experience of the country. Actuated by the ambition to see a Congress Ministry at the Federal centre with an independent majority, the Congress spokesmen urged that the representatives of the State in the Federal Legislature, instead of being “palace nominees” must be chosen by popular election. The critics brushed aside the considerations that no such condition was laid down when the Federal scheme was hammered out at the three sessions of the Indian Round Table Conference, and in Parliament, and that the States are internally independent.

At the annual session of the Congress at Haripura, Bombay Presidency, in January, a resolution sponsored by Mr. Gandhi expressed sympathy with the political aspirations of State subjects, but discountenanced interference from without. This policy was nominally reaffirmed by the Working Committee in September. On December 16, however, the Committee issued a fresh resolution declaring that while considerations of prudence prevented the Congress from interfering as an organisation, and directly in internal struggles in the States, Congress must always reserve the right to guide the people of those territories. Persons not belonging to the States were advised against taking part in civil disobedience movements within them. These mutations of declared policy were accompanied by subversive activities in many States directed by Congress partisans. Such interventions were indiscriminate. They ranged from well-governed States like Hyderabad, Mysore, and Baroda, to princedoms known to be ill-governed; from great States like Kashmir and Travancore to small territories, some of them, as in Orissa, so primitive and backward that in British India they would have been exempted from the new Constitution as “excluded areas or partially excluded areas.”

Many of the Rulers had on their own initiative made substantial democratic concessions, as for instance, in Cochin, where, on June 16, reforms were inaugurated providing (for the first

time in any Indian State, it was declared) the principle of Ministerial responsibility over a limited field of administration to a Legislature with a majority of popularly elected members. In other States already far advanced in associating the people with the administration, and notably Hyderabad and Mysore, inquiries were on foot with a view to further constitutional changes. Some of these States, like others less advanced, were faced by passive resistance campaigns encouraged and supported from outside. In some instances *jathas* (volunteer bands) were formed in British India to go into the territories of Rulers. There were significant indications at the end of the year, however, that the Congress leaders felt that matters had gone too far. It was announced on December 27 that the Hyderabad State Congress had suspended *satyagraha* on the advice of Mr. Gandhi, Mr. Nehru, and others, on the ground that, owing to the activities of certain Hindu bodies, the movement was coming to be regarded in a communal light.

At a Conference of Princes and States Ministers at Bombay late in November, plans were considered for making the Chamber of Princes accessible to the entire Order, and for creating a more effective States organisation. It was generally felt that the time had come for the Paramount Power to make clear its position towards the States. The situation was much relieved by answers to questions in Parliament on December 16 and 19, and by declarations of the Viceroy in Calcutta on the last-named date. These were to the effect that the Paramount Power would not obstruct proposals for constitutional advance initiated by Rulers, but had no intention of bringing any form of pressure to bear upon them to make such changes. It rested with the Rulers themselves to decide what form of government they should adopt in the diverse conditions of Indian States. The obligations of the Paramount Power to the States extended to protecting Rulers against violence and disorder, and to advising and assisting Rulers in remedying the legitimate grievances of their subjects. No changes or modifications were contemplated in the scheme of Federation embodied in the Act. The Princes would shortly receive revised draft Instruments of Accession, and would be asked individually to signify their decision within an appropriate interval.

Lord Brabourne, Governor of Bengal, acted as Viceroy during the four months' leave, begun in July, of Lord Linlithgow. If, on the one hand, the needed rest of a Governor-General of outstanding assiduity was hampered by the emergence of the international crisis, with its inevitable repercussions on Indian opinion, on the other hand, Lord Linlithgow had the satisfaction of noting the rally of the Ruling Princes to the support of the Empire in their eager offer of military and other resources to the King-Emperor when threat of war was imminent.

The Frontier problem continued intractable, and minor engagements and operations were carried on in Waziristan to counter the unrest which persisted after the cessation of major hostilities in the winter of 1937-38. Meanwhile the Home Government gave close attention, in consultation with expert advisers, to the question of meeting Indian defence expenditure at a time of general European rearmament. In February the Finance Member (Sir James Grigg) informed the Legislature that the Home Government had agreed to forego the annual contribution of 100,000*l.* toward the cost of naval defence from April 1 on condition that the Government of India maintained the new Royal Indian Navy on a prescribed standard. In September came the announcement of the decision to increase the annual grant from the British Exchequer toward defence expenditure by half a million to 2,000,000*l.*; to make a special grant of 5,000,000*l.* for the re-equipment of certain British and Indian units, and also to authorise the provision of aircraft for the re-equipment of certain squadrons of the R.A.F. Further, four British Battalions were transferred from the Indian to the Imperial establishment. That these measures were not regarded as final was shown by the sending out in October, under the chairmanship of Admiral of the Fleet Lord Chatfield, of an expert Committee to examine and report how the limited resources available in India for defence expenditure can be used to the best advantage.

In the general financial field Sir James Grigg, in his fourth Budget, was in the happy position of having no new taxes or enhancements to propose. But on the ground that a small item formerly votable had been transferred to the non-votable defence grant, the Congress members of the Central Legislative Assembly made what the Viceroy termed an "indiscriminate and wholesale refusal of all demands," and he was called upon once again to certify the Finance Act. A resolution of the All-India Congress Committee urging the lowering of the exchange value of the rupee from 1*s.* 6*d.* to 1*s.* 4*d.* led the Government on December 16 to announce their conviction that it was their clear duty, in the interests of India generally, and the cultivator in particular, to defend the present ratio to the utmost of their power. Another announcement made in December was that the Ottawa Trade Agreement, executed for five years in 1932, and temporarily extended for the purpose of the long-continued negotiations for a new agreement, would not be continued beyond March 31, 1939.

A fifth attempt to climb to the summit of Mount Everest made by a party of seven under Mr. W. H. Tilman in May and June was frustrated by an early monsoon, but camp VI was established at 27,000 feet, the western route to the North Col being used for the ascent.

A change of no small importance was that from the end of February all first-class mail between Great Britain and India,

Burma and Malaya, was carried by air at the rate of  $1\frac{1}{2}d.$  per half-ounce, as against the former surcharge of  $6d.$  per half-ounce.

A spectacular reminder of mediævalism in the variegated Indian picture was provided by the controversy between the Rao Raja of Sikar and his overlord, the Maharaja of Jaipur. The Rao Raja defied the orders of the Maharaja on certain family matters, and in April brought matters to a head by closing the gates of his walled town of Sikar and declaring a demonstrative strike, after which he retired into his fortress in the middle of the town with 10,000 armed Rajput followers. State troops were sent, and a blockade continued with some intermission to the early part of July. All supplies were cut off except perishable foodstuffs. An attempt of 100 armed Rajputs to enter the city led to rioting in which seventeen people were killed, and twenty-six injured. The Rao Raja, who had been declared insane, was given an ultimatum and a cordon of troops was placed round the town. Many of his supporters hurried away, and by July 22 the rebellion collapsed. A general amnesty was granted when the inhabitants went *en masse* to Jaipur to beg the Maharaja's forgiveness, and to assure him of their future loyalty.

Burma, still new to the separation from India, was feeling her way during the year to a stability which was not reached. Political immaturity and racial antagonisms, notably as between the large Indian population and the Buddhists, led to severe rioting which started in Rangoon, and subsequently spread to Mandalay and other districts. The disturbances in the capital were temporarily stayed in the middle of August, but rioting was renewed in more serious form on September 5. Four days later, when the total casualties amounted to 230 killed and 926 injured, the Governor (Sir Archibald Cochrane) made use of his special powers to ordain the Rangoon (Emergency) Security Act, 1938, giving increased powers of arrest to responsible police officers. The disturbances rapidly subsided, and on October 21 the Governor was able to withdraw the operation of the Act by declaring that a state of emergency no longer existed. Unhappily, at the end of the year, a civil disobedience movement attained considerable dimensions in Rangoon and elsewhere. There were indications that the unrest sprang from deep-rooted causes. The Government announced its determination to take all necessary measures effectively to check the campaign and general lawlessness. The disturbances came at a time when Burma was deriving economic advantages from a considerable transit trade arising from the need for China, in her resistance of the Japanese invasion, to use the Bhamo route, and turn to account the new motor highway from Upper Burma to Yunnan.



## FOREIGN HISTORY.

### CHAPTER I.

#### THE LEAGUE OF NATIONS.

To pretend that the League of Nations played more than a minor rôle in international politics during 1938 would be a travesty of historical facts. By all the canons of logic, a year so full of strife and discord amongst the nations should have implied a period of unprecedented activity for the League. In point of fact, the succession of crises accelerated the "flight from the League," and the most marked feature of the year was the tendency to attempt the settlement of major problems outside the orbit of Geneva.

Those disputes which came before the League were, in the main, the embarrassing heritage of the past. Through the insistence of the victims of external aggression, the other States Members were not allowed to forget that bitter hostilities were still raging in the Far East, that Abyssinia did not intend to submit to Italian domination without one last appeal to the conscience of the world, and that foreign intervention was prolonging the Spanish war. When reluctantly compelled to give time and attention to these matters, the Council and the Assembly of the League alike displayed an uneasy impotence. The fresh incidents and blatant threats to European peace, which occurred with alarming frequency as the year sped its course, did not occasion even the formality of appeals to the League.

Nothing more tragically illustrated the eclipse of the League on its political side than the Annual Assembly, which was in session at the time of the Czechoslovak crisis in September. Czechoslovakia, always a loyal supporter of the Covenant, seemed to realise the hopelessness of looking in that direction for immediate help. During the debates, apart from the inevitable general references to the acute danger of war, only the delegates of Russia and Spain dared to make specific mention of Czechoslovakia. The Assembly contented itself with declaring its conviction that the existing differences were capable of solution by peaceful means and expressing the earnest hope that no Government would attempt a settlement by force.

Ironically enough, this unhappy year for the League opened with a celebration of the 100th session of the Council. The members took the opportunity to reaffirm their faith in the system of international co-operation for which the League stood. Mr. Anthony Eden announced the British Government's determination to keep the League in existence, to give it their full support, and to make the greatest possible use of its machinery and procedure. M. Delbos (France) deplored the thought of abandoning the principle of collective action at the very moment when it was most necessary to all. In more critical vein, M. Litvinoff spoke of Russia's disappointment in recent years, and Dr. Wellington Koo (China) asked for a bold effort to rescue the League from its state of apparent paralysis.

*The Sino-Japanese Dispute.*—At the January session of the Council, Dr. Koo made strenuous efforts to stimulate the League into adopting more positive measures for the discouragement of Japanese aggression. With that object in mind, he first got into touch with the representatives of the United Kingdom, France, and the U.S.S.R., who had special interests in the Far East. The outcome was a Council resolution which did little more than recall the previous Assembly's expression of "moral support" for China. The Chinese delegate, in accepting this reiteration for what it was worth, recorded his disappointment at so inadequate a response to China's appeal.

Two communications from the Chinese Government came before the Council when it next met in May. The first drew attention to the indiscriminate bombing and killing of Chinese non-combatants by the Japanese forces, and the second alleged the use of poison gas by the Japanese on the Shantung front. In elaborating these appeals at the Council table, Dr. Koo strongly insisted that Japan's absence from the League was no reason for refraining from making a serious effort to deal with her aggression. China, who was fighting as much for others as for herself, expected to receive material aid and effective co-operation. In response to China's demands the Council once more urged League members to give serious and sympathetic consideration to requests for assistance which they might receive from the Chinese Government, and also recalled that the use of toxic gases was condemned by international law.

The League Assembly in September was the scene of a despairing appeal from China for specific League action. Dr. Koo movingly described what Japanese aggression meant to the ordinary people of his country. A million civilians, he said, had been killed, and thirty million refugees were homeless or had lost all their worldly possessions. Yet the Japanese armies, with all their ruthlessness, had merely succeeded in establishing islands and corridors of occupation in the invaded provinces. Beyond the despatch of anti-epidemic units to China, the League

had done nothing but adopt a few platonic resolutions. The Chinese people could not understand why the League had not taken effective steps against the aggressor by forbidding the sale of armaments and essential war supplies, and by refusing financial credit to Japan.

The Chinese delegate then definitely asked the League to apply Article 17 of the Covenant, framed to meet the case of a dispute between a League member and a non-member State. On the matter coming before the Council, that body on September 19 sent a telegram to the Japanese Government inviting it in accordance with the first paragraph of Article 17 to accept the obligations of League membership for the purpose of settling the dispute. Three days later Japan's refusal came, on the ground that the methods provided in the Covenant would not result in a just and adequate solution of the conflict. The Council was bound to make some sort of a report. On September 30 it announced that members of the League were entitled to adopt individually the measures provided for in Article 16, but that, as regards co-ordinated action, it was evident from the experience of the past that all elements of co-operation which were necessary were not yet assured. Chief criticism of the report came from M. Litvinoff (U.S.S.R.), who said that aggression would never be stopped by such methods, and Mr. Jordan (New Zealand), who regretted that the Covenant was not being applied collectively. They voted, however, with the rest for its adoption.

With regard to the charges concerning the use of poison gas by the Japanese, States with official representatives in China were invited to investigate the facts through diplomatic channels. In accepting this proposal without prejudice to his Government's right to approach the Council again, Dr. Koo stated that the appointment of a League Commission of Inquiry would have led to more rapid results.

*The Conflict in Spain.*—An emphatic request from the Spanish Government that League members should consider putting an end to the policy of non-intervention was the source of considerable embarrassment to the League Council at its May session. Señor del Vayo, the Spanish representative, in submitting a resolution in this sense, declared that the policy of non-intervention, whilst born of a noble and generous impulse, had proved as ineffective as it was unjust. In reality a general conflagration had been avoided, not by that policy, but by the prudent behaviour of France and Great Britain. The existing sham should be terminated, and examination of the international effects of the Spanish question brought back to its natural jurisdiction, the League of Nations.

Lord Halifax, the United Kingdom representative, countered with the argument that non-intervention had been at least

partially successful, and that its primary object, the maintenance of European peace, had been fully attained. He also expressed the hope that, once unhappy strife was a thing of the past, the time might come when the League would be able to play its part in the reconstruction of Spain. On behalf of France, M. Bonnet hoped that the plan for effecting the withdrawal of all foreign combatants from Spain would be applied in the near future.

A dramatic scene occurred when Señor del Vayo, turning to the British and French representatives, bluntly demanded by what morality or justice, in the event of Italy and Germany continuing to ignore the Anglo-Italian Agreement, the Spanish Republic could still be deprived of its rights under international law.

When the Spanish resolution was submitted to roll-call, the voting indicated something of the Council's dilemma. It was rejected by four negative to two affirmative votes, but the fact that there were nine abstentions was significant.

On September 19, at the League Assembly, Señor del Vayo returned to the attack with a scathing denunciation of "those whose duty it was to apply the Covenant, but who preferred to allow the League to die rather than make a serious attempt to put a stop to the destructive action of the enemies of peace." There had, he continued, grown up in Geneva "a strange theory according to which the best method of serving the League was to remove from its purview all questions relating to peace, and the application of the Covenant." He asked whether the great Western democracies, before acting within the framework of the League, intended to wait until half the European nations represented at Geneva had been paralysed by discouragement, panic, or the fact that they had ceased to exist as independent States.

Dr. Negrin, President of the Spanish Republic, announced on September 21 the decision to withdraw all non-Spanish combatants taking part in the struggle on the Government side. He asked the League to appoint an international commission to satisfy world opinion that this withdrawal was being completely carried out. Whilst the immediate inclination of League members was to welcome a proposal which would give the League a useful task that it could effectively perform, some opposition came from the three or four European States in the League most closely tied to the totalitarian States outside. Eventually the Council, less at the mercy of these cross-currents of opinion, was asked to give the matter its attention. The commission was duly appointed and started its work in November.

On September 30 the Council also consented to provide technical assistance to study measures for ensuring food supplies for refugees in Spanish Government territory. Sir Denys Bray and Mr. Lawrence Webster carried out the inquiry between October 9 and 27. They recommended the appointment of a relief

commissioner, with three deputies at Barcelona, Madrid, and Valencia. It was hoped that different Governments, especially those with surplus stocks of wheat, dried fish, skimmed milk, and cocoa, would afford appropriate help.

*Other Political Questions.*—The Ethiopian question was one of those ghosts from the past which still haunted the League in 1938. In April the British Government asked that "the consequences arising out of the existing situation in Ethiopia" might be discussed at the coming session of the Council. The Emperor Haile Selassie, in announcing his intention to be represented, submitted a memorandum which maintained that the Italian occupation was effective only in the neighbourhood of the larger towns.

On May 12, when the Council opened, Haile Selassie was invited by the President to come to the Council table. Lord Halifax explained at some length the British Government's desire to clear up the anomalous situation which had arisen from the fact that certain League members had recognised the Italian conquest while others had not done so. The Emperor's statement, read by M. Tazaz, asked the League to refuse to encourage the Italian aggressors by offering up their victims as a sacrifice.

The subsequent discussion revealed divergent views amongst the Council members. No vote was taken. The President, in summing up, said that members of the League should draw their own conclusions from the statements available. The general opinion seemed to be that it was for the individual members to determine their attitude in the light of their own situation or their own obligations.

Following this inconclusive debate, Lord Halifax explained to the Council the object and the wider significance of the Anglo-Italian Agreement of April 16, which his Government regarded as a contribution to peace.

At this session, too, the question of Swiss neutrality was raised by M. Motta. A resolution was adopted declaring that Switzerland, in view of her special position, would not be expected to participate in the operation of the "sanctions" provisions of the Covenant.

During the first half of the year the Council gave further attention to the Alexandretta dispute between France and Turkey. Hitches having occurred in the arrangements for the elections in the Sanjak, the Council attempted to meet the Turkish objections by setting up a small committee to modify the regulations. The Electoral Commission, in charge of the practical arrangements, reached Antioch on April 22. With the approach of the elections, disturbances were reported, and in June Turkey repudiated the League Commission. In order to avoid serious trouble, France yielded to the Turkish demand for

direct negotiations. The League Commission, having reported that the conditions made the holding of free elections impossible, was withdrawn.

*League Reform.*—League reform, or, more correctly, “the application of the principles of the Covenant,” which had been under discussion since 1936, continued to engage the attention of the special Committee of Twenty-Eight, the Council and the Assembly. The Committee, sitting at Geneva from January 31 to February 2, discussed the report of Lord Cranborne (United Kingdom) concerning the participation of all States in the League. This study observed that there were in existence three different conceptions of the nature of the League, *viz.*, a “coercive League,” a League involving no obligation to apply sanctions, and an intermediate type of League with the faculty of using coercion in certain circumstances. At the close of the debate, it was decided to forward this and other reports to the Assembly; but the Chilean representative registered a protest at the negative results achieved.

At the May session of the Council M. Edwards (Chile), who had been invited to the table, accused the League of virtually shelving the problem by refusing to consider immediate reforms to facilitate the achievement of universality. Subsequently he announced that his Government had decided to withdraw from the League; but, if the Covenant could be reformed before the expiry of the two years’ time-limit, nothing would give his country greater pleasure than to remain a member.

During September the Assembly and its Sixth Committee concentrated attention upon the following points: Article 16, Article 11, separation of the Covenant from the Peace Treaties, and collaboration with non-member States. The British statement in the Sixth Committee, opposing alterations in the text of the Covenant but holding that in the event of aggression a general obligation to “consult” between League members should take the place of automatic sanctions, profoundly influenced the Assembly. There followed a marked retreat from the “collective security” standpoint. Only ten States upheld Article 16, whilst twenty-six declared in favour of “optional” sanctions.

In order that the unanimity rule should not deprive Article 11 of its value, the British Government proposed that the Council might take action to safeguard peace without the consent of the disputants. Although twenty-nine delegations supported this resolution, it was frustrated by the adverse votes of Hungary and Poland.

Verbal amendments to enable the Covenant to be separated from the Peace Treaties gave rise to little controversy. The Protocol embodying these changes was immediately signed by twenty-eight States.

*The Permanent Court.*—Five cases, in various stages of progress, came before the Permanent Court of International Justice at The Hague during the year.

In the Borchgrave case, the Belgian and Spanish Governments mutually decided not to go on with the proceedings, and on April 30 the Court made an order removing it from the list.

One case reached a definite conclusion. In the dispute between Italy and France concerning phosphates in Morocco, the public sittings extended from May 2 to 16. On June 14 the Court delivered its judgment, dismissing the Italian Government's application by 11 votes to 1. It was noteworthy that the Italian judge voted with the majority.

The Panevezys-Saldutiskis Railway case between Estonia and Lithuania was prolonged by preliminary objections raised by the latter party. After oral proceedings from June 13 to 18, the Court on June 30 decided to join the objections to the merits in order, if necessary, to adjudicate upon both at the same time. In October and November respectively, the Estonian Government's reply and the Lithuanian rejoinder were filed.

Belgium, under the terms of the Optional Clause, instituted proceedings against the Bulgarian Government in January. The application alleged that Bulgarian authorities had taken measures injuriously affecting the rights of the Electricity Company of Sofia, and reparation was demanded. The public hearing was fixed for July, but the Bulgarian agent failed to appear, and subsequently the time-limit for filing the Bulgarian counter-memorial was extended. Preliminary objections were filed by Bulgaria at the end of November.

In May Belgium brought another action against the Greek Government, under the terms of the 1929 Arbitration Treaty. A dispute had arisen between the Greek authorities and the "Société commerciale de Belgique" regarding railway construction works in Greece. It was alleged that the Greek Government had subsequently refused to comply with an arbitral award made in 1936. In July Belgium filed its memorial and the Greek counter-memorial was received at the end of September.

M. Erich was elected by the Assembly and the Council in September to the seat on the Permanent Court left vacant by the death of M. Hammarskjöld.

*Refugees.*—Throughout 1938 the refugee problem widened in extent, and its urgency became more insistent. Acting upon the instructions of the Assembly, the High Commissioner for refugees coming from Germany summoned a conference which met at Geneva from February 7 to 10. A convention of 25 articles was adopted, ensuring to refugees from Germany the possession of civil rights and other advantages. Seven States at once signed the convention, and twelve the final act. In May

the Council authorised the High Commissioner to interpret his mandate as applying also to refugees coming from Austria.

After considering the report of the special committee of three set up to study the refugee problem, the Council decided to recommend the Assembly to create a single organisation, responsible for the legal protection of all refugees recognised as such by the League and for the co-ordination of humanitarian assistance. Endorsing this proposal in September, the Assembly appointed Sir Herbert Emerson as High Commissioner with an office in London.

International discussion of the refugee problem brought out the supreme importance of planned migration. At Geneva, the initiative of the United States, which led to the talks at Evian and the formation of the Inter-Governmental Committee in July, was warmly welcomed. The scheme adopted at Evian provided for full co-operation with the League and the International Labour Office.

*Other League Activities.*—Forty-nine States were represented at the 19th ordinary session of the Assembly, which met at Geneva from September 12 to 30. The delegates included two Prime Ministers and eighteen Foreign Ministers. Mr. de Valera (Ireland) was elected President of the Assembly.

In the Council elections, Yugoslavia, Greece, and the Dominican Republic were allotted the non-permanent seats vacated by Poland, Rumania, and Ecuador.

It has already been shown that the Assembly emphasised the League's weakness as a political instrument. One encouraging feature, however, was the steady development of the technical, humanitarian, and social activities with their centre at Geneva. Owing to the growing volume of work, the Assembly appointed a Seventh Committee to deal with health, opium, and intellectual co-operation questions.

In the League's health work, important features of the year were technical collaboration with China, collaboration with Belgium in a survey of sanitary conditions of the population, and progress made in connection with the campaigns against malaria and leprosy.

It was reported that national nutrition committees had now been set up in eighteen countries. Preparations were made for a European Conference on Rural Life.

The biggest obstacle to the suppression of the drug traffic was still the deliberate Japanese policy of encouraging the traffic in the Far East. The Assembly approved the plans of the Opium Committee for a conference to limit poppy cultivation.

Amongst the activities of the Social Questions Committee was the publication of an important report on the placing of children in families.

The Committee for the Study of the Legal Status of Women,



meeting under the chairmanship of Professor H. C. Gutteridge, adopted a plan of work under the broad headings of "public law," "private law," and "criminal law." Three international scientific institutes were entrusted with the detailed examination of these questions.

Political friction naturally reacted unfavourably upon the League's efforts to solve economic and financial problems. Nevertheless useful research work and statistical inquiries were continued. Steps were taken to co-ordinate the work entrusted to the Economic and Financial Organisation. Mr. S. M. Bruce, High Commissioner for Australia in London, was invited to act as Chairman of the new Co-ordination Committee. The Rockefeller Foundation made a welcome gift of 350,000 Swiss francs to enable the Intelligence Service to continue its analytical research work up to the end of 1942.

*International Labour Organisation.*—Despite the difficulties experienced by the League, the International Labour Organisation increased its activity and enjoyed probably the most successful year in its existence. The annual conference in June was attended by representatives from fifty nations. Although only one convention, designed to facilitate the comparison of statistics on hours of work and wages in various countries, was adopted, useful preparatory discussions took place on a wide range of other subjects. These included technical and vocational education, and apprenticeship, native labour contracts, equality of treatment of migrant workers, reduction of hours of work, and hours of work and rest periods of professional drivers in road transport.

At the invitation of the British Government, the Autumn meeting of the Governing Body of the International Labour Office took place at Burlington House in London. King George VI, in his Speech from the Throne, referred to the importance of this occasion.

Other events of the year were the first meeting of the new Permanent Agricultural Committee, a conference of experts on the development of migration for settlement, technical meetings on hours of work and accident risks in coal-mines, and an expert conference on silicosis. A special delegation also visited South Africa to study native labour conditions.

Seventy fresh ratifications of conventions—nearly double the previous year's total—brought the grand total of ratifications to 835 by the end of the year. The first ratifications from the U.S.A. (five maritime conventions) were recorded.

Mr. Harold Butler, Director of the International Labour Office since 1932, resigned his post, and Mr. John Winant (American) was appointed as his successor.

Chile and Venezuela, in giving notice of their intention to withdraw from the League of Nations, informed the Director

that they would continue their membership of the International Labour Organisation.

In one respect alone the League's misfortunes threatened to have an adverse effect upon the I.L.O. To meet the situation created by the withdrawal of certain States, the League appointed a special committee on budgetary economies. Its report, published in December, proposed drastic economies involving a reorganisation of the Secretariat at Geneva. The I.L.O., being financially dependent upon the League, agreed to a reduction in its budget.

Against the further setbacks experienced by the League of Nations, one recognition of the continued value of much of its work came towards the end of the year, when the Nobel Peace Prize for 1938 was awarded to the Nansen International Office for Refugees.

## CHAPTER II.

### FRANCE AND ITALY.

#### FRANCE.

THE extraordinary session of 1937 terminated only on January 2, 1938, at dawn, when at length the Chambers voted the Budget of 54 milliards, 700 millions. But the Government was not yet at the end of its difficulties, as the strike at the Goodrich works and certain other Labour troubles threatened to take a more serious turn. Accordingly, M. Chautemps, the President of the Council, issued a few days later an appeal for social appeasement, while M. Georges Bonnet, the Finance Minister, declared for his part that he could not save the franc save in an atmosphere of social peace and freedom from Labour troubles. M. Chautemps summoned a meeting of the representatives of the C.G.T. and of the General Federation of French Employers. This latter organisation declined the invitation, and only the workers' delegates and representatives of small and medium employers responded to the appeal of the Government. The conference, which met on January 14, examined what improvements could be made in the statutory regulations of labour.

When the Chambers met again, two matters chiefly occupied their attention—the foreign danger, which for the moment seemed to have receded a little into the background, and the financial problem, closely connected with the foreign danger. Suggestions were made for a control of the exchanges, but M. Chautemps, who was anxious to maintain the agreement with England and the United States, remained faithful to the defenders of free exchange.

On January 27 the Government laid before the Committee of the Chamber six Bills dealing with the codification of Labour legislation on modern lines, engagement and enticement of workmen, placing of workers, collective agreements, conciliation and arbitration, strike legislation, and legislation relating to delegates.

M. Jouhaux and the C.G.T. favoured the exchange control, and the solidarity of the two Marxist groups—the Socialists and the Communists—seemed assured. This did not prevent the President of the Council from saying in the course of a debate in Parliament: "I see that the Communist Party desires to resume its liberty. I restore it to them willingly." This was the first visible rift in the edifice of the "Popular Front." It was at this juncture that the Cabinet, without having been placed in a minority, resigned.

The President of the Republic first called upon M. Georges Bonnet to form a new Government. Owing to insufficient support from his own group, the Radical-Socialist, M. Bonnet failed. M. Léon Blum was then called upon. He had the idea that, if the attempt to reconstitute the "Popular Front" was hopeless, the opposite endeavour, to enlarge it till it should form a Cabinet of "National Union" might be crowned with success. On the refusal of M. Paul Reynaud to be a party to such a scheme, he did not persist; and even from the National-Socialist Council he obtained no more than a promise on behalf of the S.F.I.O. group to give to a Radical Ministry a support which might be revoked at any time. The wheel having run full circle, M. Chautemps was again called upon, and finally succeeded in constituting the Radical Ministry which M. Bonnet had failed to form. His new Cabinet contained, apart from Radical-Socialists, only members of the small Socialist Union group (dissident Socialists), notably M. Frossard. M. Marchandau became Finance Minister. In spite of Communist attacks, M. Delbos remained at the Foreign Office. M. Daladier became Minister of National Defence and War, with the task of co-ordinating the national defence services.

This new combination was regarded only as a transition Ministry; nevertheless it obtained a vote of confidence by 510 votes to 1. This was too good to last. M. Marchandau had soon to inform the House that the extraordinary expenditure for rearmament, which for the first two months of the year already reached 3,150 million francs, would for the whole of the year require a total of more than 15 milliards. Civil expenditure would place on the Treasury a burden equally heavy.

In February it was the turn of foreign affairs to come to the front. The Communists, through the mouth of M. Péri, recommended intervention in favour of the Spanish Government; but they stood alone. M. Flandin pointed out that there were

more pressing dangers than in Spain, namely, in Central Europe. An oratorical duel took place between M. Flandin and M. Paul Reynaud, the former advocating negotiation with Germany, the latter maintaining that France and her Allies ought to find in themselves the guarantee of their liberty. Finally, M. Delbos declared that Austrian independence was an indispensable factor in the European equilibrium, and that France's engagements towards Czechoslovakia would be faithfully observed.

On March 10 the Chautemps Cabinet, having failed to obtain the support of the Socialist and Communist parties for its financial proposals, resigned without being defeated—three days before Hitler marched into Austria. Thus at the very time when Chancellor Hitler was claiming the right to absorb all the German-speaking elements in Europe, France was passing through a new Ministerial crisis. While in Austria there was brusque and decisive action, in France there were deliberations between groups ending up in a Blum Ministry with which the Premier himself was far from satisfied. On March 11, in the midst of the Ministerial crisis, France proposed to Italy to join with herself and England in a diplomatic *démarche* at Berlin; Italy, however, refused to change her policy. Everything seemed to conspire to favour Hitler's plans in Austria.

The Blum Cabinet laid before the Chamber a Bill on the general organisation of the nation in time of war, and two Bills of a financial character, one for raising from 15 to 20 milliards, the maximum sum which the Bank of France could advance to the State, the other for creating an autonomous fund for national defence which should be authorised to receive advances from the Treasury. For the same reasons as M. Chautemps, M. Blum requested from the Chamber a grant of plenary powers, but he alarmed the Radical-Socialists with a programme which included a levy on capital, and an exchange control more or less disguised—in fact, inflation. From the very first the Senate showed its hostility to these proposals. They were passed by the Chamber on April 6; but on the 8th, the Senate, led by MM. Caillaux and Abel Gardey, rejected them, by 214 votes to 47; it also refused the delegation of powers demanded by the Government.

The Blum Government resigned after having held office only twenty-eight days. M. Edouard Daladier was called on to form a Government. The Socialist Party refused to co-operate with him, and he therefore fell back on a Radical-Socialist Cabinet, only borrowing one or two members from the groups most closely allied. Most of the Radical Ministers who had been included since 1936 in the Chautemps and Blum Cabinets held seats in the new Ministry. Among the new-comers from the Centre were M. Paul Reynaud as Minister of Justice, M. Champetier de Ribes as Minister of Pensions, and M. Mandel at the Colonial Office.

M. Daladier found himself faced with a general strike in the

metallurgical industries which affected 210 occupied factories and 157,000 workers in the Paris district. In a broadcast address on April 10, he pointed out that, in a Europe in course of transformation, all problems, financial, economic, social, and political, were closely linked with the problem of security: "the safety of the State is indivisible." M. Daladier obtained his plenary powers, while 50,000 workers on strike in the Paris district resumed work.

Mr. Hore-Belisha, the British Secretary of State for War, on his way to Rome had an interview with M. Daladier, who in turn, along with M. Bonnet, left on April 27 for London. Their interviews with the British Ministers effected a renewal of the Entente Cordiale. According to the *communiqué* published on the 29th, France was to follow the example of England, when she thought that the time had arrived, after the withdrawal of the foreign contingents from Spain, in recognising the Italian Empire over East Africa.

The most delicate subject of discussion was Central Europe, the future of Czechoslovakia. Since a violation of the frontier of the Czechoslovak State might entail the gravest consequences, Britain and France addressed themselves to Prague in order to assist her in framing the concessions which she would be willing to grant to German-speaking citizens, without impairing her territorial integrity or her sovereign rights. In spite of the cordiality of the Franco-British conversations, the results were not entirely satisfactory.

Meanwhile the financial situation grew worse. A new devaluation of the franc was decided on. With business at a standstill the State Budget inevitably showed a deficit. "The requirements of the Treasury exhaust savings, press heavily on public credit, dry up private credit and threaten financial credit."

The franc was allowed to slide down to 179 to the pound sterling. This meant that in two years there had been a depreciation of about 56 per cent.—more than half.

The municipal elections in Czechoslovakia were due to be held on May 22, and certain more or less serious incidents which took place shortly before that date kept all the Foreign Offices of Europe on the alert. Germany ordered troop movements near the frontiers of Czechoslovakia, and the Prague Government called up two classes of reserves. London, however, on this occasion adopted a much firmer tone than after the Anschluss, and the threat of a general war was averted.

Thereupon the Daladier Ministry immediately proceeded to send Parliament on holiday, in order to have a free hand. Three "trains" of decree-laws were set moving. In his speech of July 12, M. Daladier affirmed once more that France would honour her signature. A few days later, King George VI and Queen Elizabeth received an enthusiastic welcome at Paris.

On August 21 M. Daladier once more used his phrase about the indivisibility of national defence as an argument for demanding a modification of the forty-hour law. This programme alarmed two of the Ministers, MM. Frossard and Ramadier, and they resigned. M. Daladier immediately replaced them with M. de Monzie (as Minister of Public Works) and M. Pomaret (as Minister of Labour), who both belonged to the same group as their predecessors, the Union socialiste et republicaine.

There was some talk in August of a French loan to Bulgaria, in order to counter the German practice of buying the agricultural produce of Eastern Europe at prices above world prices, and forcing the selling countries in return to take from the factories of the Reich the industrial products which they required.

Cordial relations between France and the Reich seemed to be eased in August by the visit of General Vuillemin to the aviators of the Reich, and by the signing of the Franco-German economic agreement. On the other hand, France's relations with Italy did not show any encouraging sign. The Rome Government suspended all collective passports for France and subjected to a special control the visa for individual passports. France retorted with identical measures.

France followed without excitement, but with the closest attention the proceedings of the Runciman mission to Prague. From the opening of the National-Socialist Party Conference at Nuremberg on September 5, she began to be apprehensive about the consequences of the tension between Germany and Czechoslovakia, and took precautionary measures, a list of which was published officially in the Press on September 5. During the critical days which followed, French opinion oscillated between two opposing views. On the one side were those who laid stress on the catastrophic character of a war, on the other those who refused to accept the conditions by which peace could be assured. What use was it, asked the first, to put Europe in conflagration in order to maintain a state of things which, under the most favourable hypothesis, would have to be modified, once the war was won? To which the others replied by laying stress on the moral aspect, on the symbolic importance of such a submission to force as was advocated by the other side. Up to the middle of September, the majority of French newspapers showed themselves relatively indulgent to the Sudeten claims and severe towards Prague. On September 17, after the journey of MM. Daladier and Bonnet to London, when the extent of the German claims began to appear in its true light, opinion began to veer round. On September 23, when the Godesberg conversations were broken off, M. Daladier announced that if Czechoslovakia were attacked, France would immediately take the necessary steps to come to her assistance. In the end, Great Britain and France resigned themselves to allowing the amputation from

Czechoslovakia of the districts inhabited by the Sudeten Germans, and the virtual dismemberment of Czechoslovakia. War was avoided in this way, but the political equilibrium of Europe was completely upset. To the not unmixed joy with which the news of the Munich Agreement was received on September 30 succeeded a feeling of humiliation. Accusations and insults were flung about in Paris, without, however, arousing any great excitement in the country.

On October 5 the Chambers were summoned to hear a declaration from the Government, which obtained a vote of confidence by 535 votes to 75 (of which 73 were Communist). It remained to provide the Government with the means for coping with the exceptional burdens imposed by the international situation. Plenary powers (up to November 15) were granted by the Chamber by a reduced majority of novel composition (331 votes to 78 with 203 abstentions). The Senate gave its approval to the measure, and the extraordinary session was closed.

On October 12 King Leopold III of Belgium, Queen Elizabeth and the Princess of Piedmont were the guests of Paris on the occasion of the unveiling of the monument to Albert I. On the same day it was learnt that it had been decided to send an Ambassador to Rome.

Everyone now awaited some bold effort on behalf of financial and economic recovery. France's capacity for action in Europe would be in direct proportion to her capacity for recovery at home. The elections for a renewal of a third of the Senate, on October 22, and the Congress of the Radical-Socialist Party at Marseilles resulted in a slight shifting to the Right; the death-blow to the Front Populaire was given by the Congress which, dominated by M. Daladier, broke officially with the Communists.

By a tragic coincidence, the terrible conflagration in the Rue Canebière illuminated the Radical Congress where M. Daladier was discussing the urgent questions of national finance and economy. There was a tragic contradiction between the means for procuring the enormous sums required for 1939 (66 milliards revenue against 162 milliards expenditure) and the need for stimulating production and the exchange. On this point M. Daladier found himself in disagreement with the Finance Minister, M. Marchandeau. M. Marchandeau and M. Paul Reynaud thereupon changed places, the former becoming Minister of Justice and the latter Financial Minister.

On November 13 appeared the decree-laws which, by the law of October 6, the Government were authorised to issue before November 15, in order to bring about an immediate improvement in the economic and financial position of the country. The first "train" of thirty-two decree-laws dealt with labour, public health, commerce, finance and public works, and also

included the fiscal measures, prominent among which was an extraordinary national contribution of 2 per cent. on all earned incomes, a surtax on the income tax, and a reduction in the tax on production.

In a broadcast talk on the measures he had taken, M. Paul Reynaud, the Finance Minister, insisted on the necessity of effecting drastic economies, of augmenting production by 30 to 40 per cent., of making more flexible the forty-hour law, and of abolishing the control of wholesale prices.

The application of these measures immediately raised strong protests from the C.G.T., from the Communist Party, and from the Socialist Party. On November 17, at the Congress of the C.G.T., at Nantes, M. Jouhaux stigmatised the Government as saying in effect, "You capitalists, enrich yourselves, while the world of labour falls deeper into misery." The ex-soldiers also replied to the demand of the Government that they should submit to sacrifices of an unspecified extent with a decided "no." On top of this broke out the general strike decided on by the C.G.T. and encouraged by the Socialist and Communist Parties.

Thanks, however, to the measures taken by the Government, to the appeal broadcast by M. Daladier, and to the warnings given to State employees and to the workers in private enterprises of the penalties which would be incurred by the latter for a breach of their labour contract, and by the former for abandoning their posts, the general strike of November 30 proved a failure, to the great discomfiture of those who had desired it. This setback for them marked one stage on the road to economic recovery.

After barely two months of tranquillity, foreign relations again became gravely disturbed by the anti-French manifestations at Rome. From his diplomatic seat, M. François-Poncet, the French Ambassador, heard the deputies in the Chamber cry "Corsica, Tunis, Savoy, Jibuti." A protest was made to Count Ciano against this manifestation, followed some days later by an official statement from M. Daladier that, according to arrangements already made, he would in the January vacation visit Corsica and Tunis. All Frenchmen, he concluded, were resolved to maintain by all means the respect due to the absolute integrity of all the territories over which flies the French flag. This did not prevent Italy from denouncing the Franco-Italian accords of January 7, 1935.

In the meantime, Herr von Ribbentrop, Reich Minister for Foreign Affairs, came to Paris, where on December 6 he signed with M. Bonnet a joint declaration by which the French and German Governments affirmed that no territorial question remained at issue between their two countries. This declaration was a counterpart of the one which had been signed at Munich by Herr Hitler and Mr. Chamberlain. On December 10 the



Chamber by 315 votes to 241 approved of the general policy of the Government. The discussion on the Budget continued; in the course of the debate on the Estimates for the Ministry for Foreign Affairs, M. Bonnet said that France would never consent to cede an inch of her territory to Italy, such territory comprising, for example, Tunis and the establishments on the Somaliland coast no less than Corsica, Nice, and Savoy.

The position of the Cabinet appeared to be highly precarious. In the course of the Budget debate in the Chamber M. Daladier demanded a vote of confidence on Article 2 of the Finance Bill, which was a purely formal clause authorising the Government to collect taxes, but to which the Opposition assigned a political significance, declaring that those who voted against it would be voting against the decree-laws. The Article was passed by a majority of only 7—291 votes to 284. The ordinary Budget, excluding the extraordinary expenditure on national defence, balanced as follows: expenditure, 66,128,402,780 francs; revenue, 66,154,999,668 francs. The discussion on the Finance Bill was marked by numerous incidents, and was so prolonged that the closure was not finally moved by the Government till twenty-five hours after the beginning of the year 1939.

In the meanwhile, a gunboat was ordered to proceed to Jibuti, and a detachment of Senegalese left to reinforce the garrison of the colony.

The year 1938 had been mainly signalised in home affairs by the constant struggles of successive Governments to disengage themselves from the Front Populaire, and to render the social reforms carried out in 1936 and 1937 more flexible so as to enable the nation to resume more vigorously its economic activities. This was all the more necessary as great sacrifices, both financial and other, were required to meet the crushing expenditure on national defence.

In external affairs France had remained faithful to its policy of non-intervention in Spain, and to the principle of the League of Nations, in spite of the eclipse of that body itself. In Asia she watched closely the Japanese advance, but maintained the prohibition of the traffic in arms and munitions by the Yunnan railway, although by international law she was perfectly free to allow anything to pass, hoping in this way to avoid the disagreeable incidents with which she was threatened by Japan, or the occupation of the island of Hainan which commanded the Gulf of Tonkin.

The net effect of the Anschluss and of the Munich settlement on France was to shake her out of her lethargy and instigate her to make a national effort to re-arm.

## ITALY.

In the field of foreign affairs in 1938, Italy secured recognition for her conquest of Abyssinia, concluded an agreement with England, strengthened her alliance with Germany, intensified her activity in the Danube region, continued her support to General Franco in the Civil War in Spain, proclaimed at length her "natural aspirations" for additional territory and denounced the 1935 agreements with France. At home the Fascist regime completed the reform of the administration, especially by the institution of the Chamber of Fasci and Corporations, carried further the pursuit of autarky and preparations for a possible war, and inaugurated an anti-Semitic policy based on racial discrimination.

In May the League of Nations abandoned the idea of any collective action against Italy, and this was followed by the recognition of Italy's African Empire by the European States which hitherto had refused to bow to the success of Italian aggression against Abyssinia. One after another Holland, Ireland, Czechoslovakia, the Scandinavian States, Belgium, Greece, Turkey, Bulgaria, France, and finally Great Britain sent accredited representatives to the King of Italy at Rome as Emperor of Abyssinia.

In the case of Great Britain, the recognition of the Empire was preceded by the conclusion of an agreement. Conversations between Italy and Britain were commenced in earnest after the resignation of Mr. Eden on February 20, and, with the encouragement of Mr. Neville Chamberlain, proceeded so rapidly that an agreement was concluded on April 16. [See under Public Documents.]

This agreement confirmed in regard to the situation of the two Powers and the *status quo* in the Mediterranean the declaration of January 2, 1937, and the Notes exchanged on December 31, 1936; it provided for regular exchange of military information with regard to the troops stationed in the territories bordering on the Mediterranean and the Red Sea belonging to both parties; proclaimed the interest of both parties in the independence of Saudi Arabia and the Yemen; prohibited all hostile propaganda; settled the question of Lake Tsana and of the protection of British interests in Italian East Africa; and confirmed "the free use for all time" of the Suez Canal. Two annexes were attached by the Italians to the agreement, one of which announced the withdrawal from Libya of supernumerary troops, while the other recommended the withdrawal of foreign volunteers from Spain and gave an assurance that the Italian Government had no political or territorial designs in Spain, in the Balearic Islands or in the Spanish possessions, and that it had not the least intention of keeping armed forces there. The coming into force of these agreements was

deferred to a date which the Governments were to fix jointly. A letter of Lord Perth pointed out that the coming into force could not be considered until the Spanish question had been settled, and promised the good offices of the British Government with the League of Nations for the purpose of restoring to the member States their liberty in the matter of recognising the Italian Empire.

The Council of the League having restored to the States their liberty in the question of Ethiopia, agreement having been reached by the Non-Intervention Committee in London on the subject of withdrawing volunteers from Spain (June 21), and the recall of 10,000 Italian volunteers having been announced, Italy demanded that the Italo-British Agreements should be brought into force. But Mr. Neville Chamberlain, in a speech in the House of Commons on July 4, ruled out the possibility of so rapid an application of the agreements. It was only after the events of September and the Munich Conference that the question of bringing the agreements into force could be considered once more. A declaration signed by Lord Perth and Count Ciano fixed the coming into force for November 16. At the end of that month an announcement was made that Mr. Chamberlain and Lord Halifax would visit Signor Mussolini in the first fortnight of the new year.

At the same time that the agreements between Italy and Britain were concluded in April, commercial and financial agreements were signed between Italy and France. This was followed by political conversations between Count Ciano and M. Jules Blondel, the French Chargé d'Affaires. These conversations were broken off from the Italian side, following the declaration made by Signor Mussolini at Genoa on May 14. Signor Mussolini declared in effect that the Franco-Italian conversations could not be usefully continued so long as France would not unreservedly accept the victory of General Franco. After the Munich settlement, France decided to re-establish normal diplomatic relations between the two countries by sending "an Ambassador accredited to the King of Italy, Emperor of Ethiopia." M. André François-Poncet, French Ambassador at Berlin, was designated to occupy the post at Rome. He presented his credentials to the King-Emperor on November 19. The Italian Government on its side nominated Signor Guariglia as Ambassador at Paris.

The Rome-Berlin axis was put to a severe test on March 11 by the brutal annexation of Austria to the Third Reich. Italy, along with England and France, had guaranteed the independence of Austria, and in 1934 she had mobilised on the Brenner frontier in order to protect the Austrian State against a possible attack by Germany. In the course of the Italo-Austro-Hungarian Conference at Budapest on January 10-12, Count Ciano had once more endeavoured to smooth over the growing difficulties between Herr Hitler and Chancellor Schuschnigg. But when faced with the

*fait accompli*, Signor Mussolini preferred to make the best of it, reserving to himself the right of obtaining subsequently a substantial compensation for this sacrifice, which on the one hand brought the Italo-German frontier to the Brenner, and on the other hand placed Germany in an exceptionally favourable position for carrying out that expansion in Central Europe and the Balkans which was one of the dreams of Italy and the principal motive for her hostility to the Little Entente and the eastern policy of France. This brutal realisation of the Anschluss, with all its consequences, dealt a sensible blow to the prestige of the Duce.

Evidence of this was provided on the occasion of the visit of Herr Hitler to Italy (May 3-9) by the lack of enthusiasm on the part of the Italian masses. This visit was marked by great celebrations and military parades on a grand scale, notably the mustering of the Italian Fleet in the Bay of Naples. Herr Hitler, proposing a toast at the Palazzo Venezia, said: "A *bloc* of a hundred and twenty million men has now been formed in Europe, determined to safeguard their eternal natural rights and to resist all forces which might attempt to oppose their natural development." At the same time the German Chancellor proclaimed the frontier of the Brenner to be inviolable and declared that the question of the Germans of the Upper Adige had been settled.

The strength of the Rome-Berlin axis was manifested in the course of the Czechoslovakian crisis. At first Italy counselled prudence to Germany and recommended a solution of the Sudeten problem within the framework of the Czechoslovakian State; but at the end of the month she rallied to the support of the German claims. While on a visit to Venetia, Signor Mussolini promised his support to Herr Hitler and raised the question of the Hungarian, Polish, Ruthenian, and Slovak minorities in Czechoslovakia. On September 28, acting on a request from Mr. Neville Chamberlain and within fourteen hours of the expiry of the ultimatum presented by Germany, Signor Mussolini obtained by telephone Hitler's consent to an adjournment of twenty-four hours and a Four-Power Conference at Munich. The Munich Agreement was based on proposals made by Signor Mussolini. This action on behalf of peace with all its consequences—the increased gratitude of Germany, the thankfulness of Poland and Hungary, the putting into force of the Italo-British Agreements, the nomination by France of an Ambassador to Rome—re-established to a large extent the prestige of Signor Mussolini which had been shaken considerably by the Anschluss.

Disagreement, however, broke out between Italy and Germany over the question of Sub-Carpathian Russia. Italy aimed at the establishment of a common Polish-Hungarian frontier, to be obtained at the expense of this region. Germany, on the other hand, desired to maintain unimpaired the corridor of

Sub-Carpathian Russia as a starting-point for her pro-Ukrainian propaganda and eventually for military action in the direction of the Ukraine. Italy yielded after conversations in Rome between Herr Ribbentrop and Count Ciano. On November 2 at Vienna the two Foreign Ministers gave their arbitral award on the subject of the frontiers between Hungary and Czechoslovakia. About a million Magyars were restored to Hungary, but a common Polish-Hungarian frontier was refused.

Signor Mussolini and Count Ciano, being perfectly aware of the frequent divergence or even conflict of German and Italian interests in the Danube region and the Balkans, neglected no opportunity of drawing closer to Rumania, Yugoslavia, and Poland, stressing as much as possible the growing resemblance between the internal regimes of these States and Fascist totalitarianism. Already in January, after the tripartite conference of Budapest, Count Ciano had obtained from Austria and Hungary, in default of adhesion to the Italo-German-Japanese anti-Comintern Pact and withdrawal from the League of Nations, a promise to recognise General Franco and to take vigorous action against the Communists within their borders. On the other side, Hungary was invited to find a basis of agreement with Rumania, where M. Goga had just installed a regime which was anti-Parliamentarian, anti-Semitic, and of Fascist sympathies. An extension of the Rome economic protocols to Rumania and Yugoslavia was planned.

As soon as M. Goga's Government came into power (December 28, 1937), Italy had engaged in conversations with it with a view to detaching Rumania from France and drawing it into the orbit of the Berlin-Rome axis. The disappearance of the Goga Cabinet on February 28 was a great disappointment for Italy, and coming on the top of this the realisation of the Anschluss fifteen days later gravely compromised Italy's Danubian policy.

Colonel Beck, the Polish Minister of Foreign Affairs, paid an official visit to Italy on March 6-10. Italy was interested in Polish friendship for three purposes : first, to weaken still further the Franco-Polish alliance ; secondly, to bring Poland into the anti-Soviet coalition ; thirdly, to obtain some counterpoise in case Germany should be tempted to abuse her power. Italy would have liked in October to join Poland with Hungary by a common frontier which Yugoslavia would have prolonged as far as Italy itself for the double purpose of erecting a barrier against Soviet action and of forming a *bloc* of forces under the Italian ægis in order in case of need to resist German demands.

It was in order to induce Hungary more readily to renounce the Magyar territories annexed by Yugoslavia and to facilitate a *rapprochement* between Belgrade and Budapest that Italy exerted herself to obtain for Hungary as large a slice as possible

from the dismemberment of Czechoslovakia. The Hungarian Prime Minister, M. Imredy, paid a visit to Rome in July, while Count Ciano was received at Budapest in December. The break-up of the Little Entente and the preliminaries to a Hungarian-Yugoslavian Entente formed the subject of conversations, to further which an interview was arranged between Count Ciano and M. Stoyadinovitch, the Yugoslavian Prime Minister. Count Ciano obtained from the Hungarian Government its adhesion to the anti-Comintern Pact.

Throughout 1938 Signor Mussolini neglected no opportunity of affirming Italy's desire for the triumph of General Franco. At the same time that it denied the sending of arms, men, and material to Franco's troops and loudly proclaimed the withdrawal of 10,000 volunteers from Spain, the Italian Government constantly boasted of the exploits of its "legionary" soldiers and airmen in Spain. In particular it was to them that the Fascist Press attributed the principal share in the conquest of Catalonia.

On November 30 Count Ciano, in a speech in the Chamber of Deputies, after having recalled and justified the attitude of Italy in the various phases of the Czechoslovak crisis, and congratulated himself on the entry into force of the Italo-British Agreements, concluded by invoking, without further defining them, the "natural aspirations" of Italy. A pre-arranged demonstration of the deputies immediately gave precision to these aspirations with cries of "Jibuti, Corsica, Tunis." Several street manifestations took place in the succeeding days. On December 17 a Note handed to the French Ambassador in Rome stated that the Italian Government considered as non-existent the agreements of January 7, 1935, which had put an end to the Franco-Italian dispute over the colonial compensations provided by the Treaty of London of April 25, 1915 (art. 13), and the Italian statute in Tunis. The Italian claims have not yet been officially formulated. To judge by the Press campaign inspired by the Palazzo Chigi, they would comprise as a maximum the cession of French Somaliland, of Tunis and of Corsica, and a revision of the regime of the Suez Canal; as a minimum, a free port at Jibuti, a majority of the shares in the Ethiopian railway, a revision of the regime of the Suez Canal, a statute of nationality for the Italians of Tunis, and the demilitarisation of Corsica.

At home, the reform of the administration was completed by the suppression of the Chamber of Deputies and the substitution for it of the Chamber of Fasci and Corporations which is to be inaugurated on March 23, 1939, and the institution of which involves a reform of the Albertine Statute of 1848. The Chamber of Fasci and Corporations will not be elective; it will be composed of the members of the National Council of the Fascist Party and of the members of the National Council of Corporations, who are all directly nominated by Signor Mussolini. The Chamber

will be a permanent body. The members of the National Council of the Party or of the Council of Corporations will cease to form part of it when they are relieved of their office, and automatically those who take their place will form part of the Chamber. The object of the reform is to liberate the executive power from all control by the legislative power and to make the legislative power a direct emanation of the executive power. The Fascist regime no longer admits any separation of powers ; the legislature and the judiciary must be subject to the Executive.

A second reform of substantial importance was the affiliation of the Balilla and other youth organisations of the Fascist Party to the Italian Youth of the Littorio (created on January 18), which is a State and not a Party organisation. As such, the Youth of the Littorio is charged with the pre-military instruction of youth, from the age of 6 to 21. The militia, on which this office devolved hitherto, still has charge of post-military instruction.

A number of minor measures were introduced to emphasise the character at once equalitarian and militaristic of the regime : the suppression of the use of the polite form of address *lei* and the enforcement of the use of "thou" as the form of address between equals and by superiors to inferiors, and of *voi* by inferiors to superiors and between different sexes ; the introduction of the "goose-step" under the name of *passo romano* for the march-past in the army and militia ; the decision to repatriate gradually Italian emigrants abroad, commencing with those in France ; development of militia formations for anti-air-raid and coast defence ; exclusion of bachelors from high state posts ; and a rule compelling all deputies, no matter what their age, to fight in the front line in case of war.

The battle for autarky continued to develop apace. The first session of the Supreme Commission for Autarky (October 10-November 1) furnished some information on the results obtained or the improvements in view. The land amelioration and reclamation works open up a prospect in the future of 5,500,000 hectares of cultivable land capable of producing 90,000,000 quintals of wheat. For the production of cellulose, 12,000 hectares will suffice to ensure Italian requirements. Italy could already provide 50 per cent. of her requirements, but ten to fifteen years must be allowed for covering the rest. In regard to textiles, the use of "lanital" for the manufacture of tissues is spreading. Sugar-beet cultivation will be intensified, as also afforestation with olive trees. In regard to minerals, while Italy has zinc and bauxite in excess of her own needs, the same cannot be said of other minerals, especially iron. There is the same insufficiency in regard to coal and petrol. The Commission planned a new development of the hydro-electric installation, and an intensive exploitation of the Albanian oil-fields, apart from such resources as Abyssinia might provide.

A State monopoly for imports was instituted, as also an inter-Ministerial Autarky Committee for dealing with urgent cases.

The wheat harvest having been declared to be deficient, the Government in May ordered bread to be baked with 20 per cent. of substitutes (maize, beans, etc.), but as the actual yield proved better than expectation, owing to late rains, the proportion of substitutes was lowered to 10 per cent.

On April 25 Signor Mussolini laid the foundation-stone of Ponezia, the fifth centre established in the reclaimed Pontine Marshes. On December 18 the Duce inaugurated the town of Carbonia in Sardinia, the mining centre of the island, which already has 12,000 inhabitants.

The year 1938 witnessed the development in Italy of a violent anti-Semitic Press campaign, at first disavowed by the Government but afterwards taken up by the regime with the ostensible purpose of preserving the purity of the race. On July 26 Signor Starace, Secretary-General of the Party, gave his adhesion to a manifesto issued by University professors defining the principles of a Fascist racialism. On July 30 Signor Mussolini affirmed these principles at Forlì. On August 23 Signor Bottai, Minister of National Education, excluded Jews from all branches of the teaching profession. On September 1 the Council of Ministers decided on the expulsion in six months of all Jews who had entered Italy since January 1, 1919; Jews were forbidden to establish themselves on Italian territory; and Jewish teachers and students were definitely excluded from Italian schools. On October 6 the Grand Fascist Council completed the anti-Semitic legislation. Jews were excluded from every public or similar function (banking, assurance, journalism, theatre, etc.), an exception, however, being made in favour of Jews with distinguished public service. The marriage of Italians with persons belonging to the Hamitic, Semitic, and other non-Aryan races was forbidden. The marriage of Italian State functionaries with foreigners was forbidden; marriages of other Italians were to be subject to authorisation. These decisions were confirmed on November 10 by the Council of Ministers, which further decreed that fixed property belonging to Jews should be ceded to the State in exchange for bonds bearing interest at 4 per cent. Jews were exempted from military service.

Seeing that anti-Semitism has never flourished in Italy, and that Mussolini himself has on more than one occasion condemned the movement, the new policy was generally held to be a price demanded by Germany and paid by Italy for the maintenance of the Berlin-Rome axis. It showed, moreover, who was the dominant partner in this axis. For the theory and the practice of the Fascist drive against a mere handful of Italian Jews clearly derives from German Barbarism, and Italy's friends throughout the world deplored its fall from grace. Pope Pius XI utterly condemned the anti-Semitism of Italy's rulers.



Financially Italy's position remained very difficult. The accounts for 1936-37 showed revenue 24,702 million lire, whereas ordinary and extraordinary expenditure amounted to 40,932 million lire, of which 17,159 millions were for East Africa. Thus there was a deficit of 16,230 millions. In the financial year 1937-38 revenue amounted to 20,596 million lire, while ordinary expenditure was 23,769 million, leaving a deficit on the ordinary Budget of 3,173 millions, from which, however, should be deducted the yield of the extraordinary tax on the capital of share companies, which is estimated at 1,245 millions. The amount of the extraordinary expenditure for 1937-38 has not been published.

The Budget Estimates for 1939-40 published in December, 1938, fix ordinary expenditure at 29,316 million lire, and ordinary revenue at 24,561 million, showing a deficit of 4,755 millions. Military expenditure, which for 1938-39 was fixed at 5,799 millions, is fixed for 1939-40 at 8,275 millions.

On October 7 the Council of Ministers imposed by decree-law an extraordinary tax "to be levied once only on the capital invested in industrial and commercial enterprises carried on by private taxpayers and by companies which are not share companies." This tax supplements the extraordinary tax on immovable capital and that on the capital of share companies. It is equal to 7.5 per cent., payable in three annual instalments. The capital value is reckoned as twelve and a half times the average return of recent years, with progressive reductions which take account of the share of labour in the profits. Incomes not exceeding 10,000 lire are exempted from this new tax, to which about 120,000 taxpayers will become liable.

### CHAPTER III.

#### GERMANY AND AUSTRIA.

##### GERMANY.

At the beginning of the year the ruling party in Germany found itself in a difficult and unsatisfactory position. Scarcity of food-stuffs and of raw materials had become a chronic phenomenon, which seemed likely to go on indefinitely. In the field of foreign policy the year just past had brought no tangible success. The war in Spain dragged on. While the mass of the German people was in the dark as to the scope of German intervention in Spain, those in the know were not favourably impressed by German activities in that country. It seemed to them that the German Government was intervening only feebly and half-heartedly, and that success therefore could not be obtained.

In internal affairs the leading group of the party officials, men like Himmler, Goering, and Hess, who had the strongest influence over Hitler, certainly desired no move to the Left in the sense of an anti-capitalistic Radicalism. Not for nothing had the Left Wing of the Nazi Party been pitilessly exterminated on June 30, 1934. But the attempt to obtain self-sufficiency for Germany and to control investments necessitated one attack after another on the capitalist system. The removal of Schacht from the Reich Ministry of Economy was everywhere regarded as a clear defeat for private capitalist interests. No one knew at the beginning of 1938 how much further the leading party group would be carried on the road of State Socialism. The general tension and uncertainty was increased by the still unresolved conflict between the State and the two Christian Churches, and at the beginning of 1938 it accentuated the opposition between the party and the Army. The more fiery representatives of the party bureaucracy demanded that the privileged position of the Army should be ended. Himmler, they pointed out, had made the police into an absolutely reliable tool of the Nazi movement, and the same task must now be accomplished in the Army either by Himmler himself or by Goering. If the attempt were longer delayed, the Army would anticipate its opponents, and one day strike down Himmler's S.S. as it had destroyed the S.A. in June, 1934.

The Conservative group of generals looked for an opportunity to assert its power in the face of such tendencies. An insignificant incident of a purely personal nature precipitated a conflict. The Commander-in-Chief of the German Army, Field-Marshal von Blomberg, had since 1935 shown himself a completely reliable agent of Hitler. On this account Blomberg was unpopular with those generals who insisted on the separateness and the independence of the Army. With Hitler's consent, Blomberg had married a girl of comparatively humble origin. Thereupon the Conservative generals under the leadership of General von Fritsch declared that Blomberg's wife was not "suitable to his rank," and that they must for the future decline to associate with him.

Thus Hitler was suddenly faced with a serious trial of strength. Actually he proved unable to keep Blomberg. But Fritsch had also to give up his post. On February 4 the resignation of both was made public, along with that of a number of other officers of high rank. Hitler formally declared himself Commander-in-Chief of the German Army. But he nominated as his Chief of Staff, on whom the real work would devolve, the politically colourless General Keitel. The other generals also who, on February 4, received promotion were more or less Conservative officers of proved caste spirit. Neither Himmler nor Goering obtained power over the Army. The crisis had been solved by a desperate compromise.

The leading spirits of the Nazi Party realised that the dilatory tactics of 1937 could no longer be continued; otherwise the January crisis would unfailingly prove only the forerunner of many much worse disturbances. On February 4, along with the changes in the Army, another change was announced of which the tendency could not be mistaken: the Foreign Minister, von Neurath, resigned and was replaced by Ribbentrop. Neurath was a cautious diplomat of the old school. Ribbentrop, on the other hand, was regarded as a Nazi activist. It was thus clear that the party leaders would seek a way out of their internal difficulties in a more adventurous foreign policy.

The first country to fall a prey to the new forward movement of Nazi foreign policy was Austria. The Austrian Chancellor Schuschnigg was compelled by German threats to appear before Hitler in Berchtesgaden on February 12. The German Government presented Schuschnigg with certain demands which it backed up with the threat of military measures in case Schuschnigg should not accept the German programme. Hitler demanded among other things an amnesty for the arrested Nazis in Austria, full liberty of movement for the Nazi Party in Austria, and the handing over of the Ministry of the Interior in Austria to Hitler's Austrian agent, Seyss-Inquart. Schuschnigg accepted the German demands. On February 20 Hitler informed the Reichstag of the concessions he had obtained from the Austrian Government, and declared it to be imperative that the ten million Germans in Austria and Czechoslovakia should win the "right of self-determination."

The German Government expected that the "Anschluss" of Austria to Germany would now follow automatically and without more ado. But at the beginning of March the opposition of the Catholic-Conservative Party led by Schuschnigg became intensified. Schuschnigg at length went so far as to proclaim a plebiscite in Austria, in which the people would declare for or against a "free Austria", *i.e.*, for or against union with Hitler's Germany. Had the plebiscite actually been held and had Hitler quietly accepted a rejection of the Anschluss by a majority of the Austrian people, this would have been a colossal defeat for National Socialism, with catastrophic results for the Nazi power in Germany. Hitler therefore resolved to act as the interest of his own prestige demanded.

The German Government first made sure that no European Great Power, not even Italy, would intervene in case of a German invasion of Austria. On March 11 German troops crossed the Austrian frontier. The Schuschnigg Government collapsed without resistance, and in a few days German troops had occupied the whole territory of Austria. Hitler himself hurried to Vienna, where he celebrated a triumphal entry. The union of Austria with the German Reich was proclaimed on March 13. Thus the

historical Gross-Deutschland was restored. The formerly independent German Austria was now merely a German province with no more separate rights than Saxony or Bavaria. On April 10 a general plebiscite took place in the old German Reich and in Austria in which the population was called upon to express its consent to the union of Germany with Austria. At the same time a new election was held for the German Reichstag. With the help of the usual methods of propaganda and influencing voting, the German Government received a vote of confidence from the electors of nearly 100 per cent. The differences of opinion still existing in the German people were, however, not eliminated by this theatrical plebiscite.

The voting on April 10 was accorded a mystic significance. Dr. Frank, the Minister of Justice, declared the plebiscite to be a "Prayer of Thanks of the entire German people." Dr. Ley demanded of his audience in Stettin to indicate by their voting their faith in Adolf Hitler as the blessed messenger of God. *The German People's Church*, an organ of the German Christians, went so far as to declare: "In the Germany of the twentieth century Adolf Hitler's fist is God's fist, and the battalions of the Third Reich who have marched into Austria have become God's military might."

In the new German province of Austria the first days of Nazi rule brought a cruel persecution of the Jews. Jewish shops and homes were plundered, and several thousands of Jews without distinction of age or sex were mishandled. The revenge of the new rulers was directed against all political or ideological opponents; active Catholics, Democrats, Socialists, and Communists had to suffer equally. The German concentration camps were filled with Austrian prisoners. The population of Austria had soon to experience the scarcity of foodstuffs and raw materials prevailing in the Reich, but by way of compensation the number of Austrian unemployed fell, thanks to the German plans for providing work.

When the German troops marched into Austria, some divisions of the German Army at once pushed on to the Brenner Pass, a fact which created a painful impression in Italy. At the beginning of May Hitler visited Mussolini in Rome. A complete understanding was reached between the two rulers, at least outwardly. They mutually guaranteed the unalterable character of the new German-Italian frontier, as formed by the Anschluss of Austria with Germany. From the time of the Rome conversations, Hitler supported the Mediterranean claims of Mussolini, while Italy stood by her German ally in her designs on Czechoslovakia.

Even after the victory in Austria, the Nazi Party was still not in a position to enjoy its victories in peace. The internal difficulties of Germany constantly forced the ruling party into new adventures. Two great enterprises were at once undertaken

after the annexation of Austria; one was directed against the Jews of Germany, the other against Czechoslovakia. A decree of April 26 ordered the Jews in Germany to state their property in excess of 5000 Reichsmarks. Generally this decree was looked upon as a preliminary to the confiscation of Jewish property in Germany and the complete elimination of Jews from Germany's economic life.

After the Anschluss with Austria, Czechoslovakia was surrounded on three sides by Greater Germany. The Sudeten German Party which was friendly to Hitler intensified its agitation daily. At the same time efforts were made to inflame German public opinion against Czechoslovakia and in particular against President Benes personally. In the middle of May the first crisis arose. Reports became current of German plans for military action, and at the same time the Sudeten German Party created disturbances in the frontier districts. Thereupon the Czechoslovak Government on May 21 sent troops to occupy the threatened frontier districts. The disturbances in the Sudeten districts ceased immediately, and the German Government denied the reports of German troop movements. On this occasion also the Nazi Party showed itself to be extremely sensitive on the question of its prestige. The German Government Press complained that an impression had been created in the world that Germany had "given way" before England, France, and Russia in the Czechoslovakian question. Germany, it was said, could not tolerate such a statement a second time. Thus the mere appearance of having struck against some insurmountable obstacle in his foreign policy sufficed to shake Hitler's system to its foundations.

The diplomatic position of Czechoslovakia seemed to be very strong, since the Czechoslovak Government had a defensive alliance with France and Russia, and the English Government had also declared that it could hardly keep out of a European war in which France was involved. Nevertheless the German rulers were confident that no European war would arise from the Czechoslovak question. For they did not believe that any European Great Power would come to the assistance of the Czechs at the decisive moment. Nevertheless there was a risk of the unexpected happening. Hitler therefore in the summer had a chain of German fortresses constructed in all haste on the Western frontier. In order to procure immediately the requisite man-power for this work, a decree was issued on June 23 imposing a universal obligation for service on necessary Government work. In virtue of this new law, the great industrial factories on the Rhine were compelled to give up 10 per cent. of their workers for the fortification works. Apart from this, the law signified a new step on the road to State Socialism.

On September 6 Hitler opened the annual Nazi Party Day in

Nuremberg. The Sudeten German question occupied the central place on the agenda. On September 12 Hitler declared in Nuremberg that the oppression of the Sudeten Germans must come to an end. On September 15 Mr. Neville Chamberlain flew to Hitler at Berchtesgaden. On September 22 Chamberlain had his second conference with Hitler at Godesberg, and on the 28th Hitler invited Chamberlain, Mussolini, and Daladier to a conference at Munich, in order finally to settle the Czechoslovakian question. On September 30 an agreement was reached at Munich by which the conference substantially accepted the German solution of the Czechoslovak problem. The Sudeten German districts were ceded to the German Reich, and on October 1 the occupation of the new German districts was commenced by German troops, and completed by October 10. In the meantime, as the Czechoslovak crisis developed, a terrible panic seized the German people. The masses feared another World War, and only began to breathe freely again when the Munich Conference made peace assured.

Through the acquisition of Austria and the Sudetenland the area of the German Reich increased from 186,000 to 225,000 square miles, and its population grew from 68 to 79 million. But this gain in territory and population brought Germany no economic relief, for the requirements of the new territories in foodstuffs and raw materials far exceeded the contribution they could make to the wealth of Greater Germany. Germany's balance of trade was unfavourable throughout the year, ending with an adverse balance of 193,000,000 marks. Germany's State debt, if one reckons together all obligations of the Reich, the provinces and the municipalities, the long-term debts and the treasury bonds in circulation, had grown by the end of the year to 61 milliards of marks. Even after Munich no way out of the economic crisis could be discerned. So the party had to embark on fresh adventures.

The decisive blow against the German Jews had been in readiness since April, when the Jews were ordered to report their property. On October 28 Germany commenced a mass expulsion of Polish Jews. On November 7 H. Grynspan, the seventeen-year-old son of a Polish Jew expelled from Germany, shot a member of the German Embassy in Paris, vom Rath, who a few days later succumbed to his injuries. The measures which had already been planned against the Jews were now executed with all speed.

The pogrom began in the early hours of Thursday morning, November 10. Between 2 and 3 a.m. members of the Nazi automobile corps and members of the Labour Front, were summoned to report immediately to their local Nazi headquarters. In Berlin the wrecking squads tore through the town at 2.30 a.m., setting fire to synagogues and to Jewish shops. They appeared

to know exactly which shops and houses were owned by Jews. Other squads, under the supervision of men in Storm Troopers' uniforms, and armed with hammers and axes, broke into the homes of Jews and smashed furniture and everything else they could lay hands on. In the provincial towns, not only were the homes destroyed with savage brutality but the families were chased into the streets. The number of the victims who suffered death in this pogrom will probably never be known. It was only by chance that the death of a Polish Jew in Munich under beastly circumstances was established because the Polish Consul in that town was apprised of the fact and made inquiries. Nor will the number of suicides among Jews be established. Whole families took their own lives in order to escape the attack of the hooligans. Those who remained alive were hunted like animals, arrested and taken to concentration camps. In the camp at Sachsenhausen, Jewish scholars of distinction, well-known doctors and lawyers, engineers and bankers, men who had in their time taken part in public activities were herded together and treated like beasts of burden. Arrived at the camp they were forced to run the gauntlet of the guards who with whips and weapons showered blows upon them.

An epidemic of pogromania seemed to have spread among large masses of Germans. Furniture from Jewish homes that escaped destruction, goods from Jewish shops,—anything and everything,—was heaped up in piles in the streets and set on fire. Many Germans were terrified by the evil spirit let loose in the land. The world beyond Germany was aghast. Could such things be in the twentieth century? And what would be the effect of this beastly savagery on the German people? *The Times* called that Thursday “a black day for Germany.” “No foreign propagandist,” wrote *The Times* in its leader on November 11,

bent upon blackening Germany before the world could outdo the tale of burnings and beatings, of blackguardly assaults upon defenceless and innocent people, which disgraced that country yesterday.

And the German authorities? On November 13 Herr Goering issued a decree ordering Jews to make good at their own expense the damage which had been done by the S.A. hooligans to their shops and houses. Insurance claims of German Jews were to be paid over to the German Government. Jews were to be driven out of business of all kinds by the end of the year. To crown all, a fine of a milliard marks was imposed on the Jews in Germany for the murder of Herr vom Rath, the young German diplomat in Paris. This levy was clearly an excuse for seizing Jewish property, and the world saw a so-called civilised Government adopting the methods of the highwayman in order to replenish its depleted treasury.

The result was that the Jews were deprived of their whole

movable and immovable possessions in Germany, and every economic activity has been made impossible for them. According to an article which appeared in *Das Schwarze Korps*, the official organ of the S.S., on November 23, the object is to completely impoverish the Jews of Germany in order to drive them down into the criminal classes, and then "to extirpate them with fire and sword" as criminals.

The rulers of Germany always assert that their object is to "free" Germany from the Jews, but nevertheless they placed the greatest obstacles throughout the year in the way of the emigration of the Jews from Germany. The real motives for the German Jewish policy must therefore be sought elsewhere. First and foremost they desire to use the Jews in Germany as hostages, in order in this way to extort economic concessions from foreign countries. Towards the end of the year mention was made of certain German official plans according to which the German Jews would be permitted to emigrate if foreign countries would finance this emigration by means of a large loan for Germany, or alternatively by taking a greater quantity of German exports. Further, the Nazi Party needed the Jews in Germany in order to occupy the masses from time to time with a new pogrom. It must, however, be placed on record that at the anti-Jewish outrages in November the mass of the German people kept entirely aloof or even showed sympathy for the Jews, and that the pogroms were carried out exclusively by the S.A. and S.S. formations which had been specially ordered for the purpose.

The persecution of the Jews aroused in the United States a wave of intense indignation. On November 14 President Roosevelt summoned the American Ambassador from Berlin to report to him. Correspondingly the German Government on November 18 recalled its Ambassador from Washington to report. The tension between Germany and the United States was regarded as a serious encumbrance to German foreign policy. In Europe German designs were concentrated towards the end of the year on the Ukraine. Since the Munich Agreement, Czechoslovakia has been wholly under German influence. This is especially true of the autonomous district of Carpatho-Ukraine. From this point all Ukrainian countries are to be "liberated" and a great Ukrainian State is to be established under German control. The possession of the Ukraine would at length furnish Germany with the economic basis she requires in the matter of raw materials and foodstuffs. But in order to attain this goal, Hitler would first have to conduct a victorious war against Poland and Russia. For its future enterprises in the East the German Government desires to secure its rear against attack. Hence the friendly agreement between Germany and England which was signed by Hitler and Chamberlain at Munich was followed on December 6 by a similar Franco-German Agreement. In any case it was clear at the end



of the year that the Nazi method of uninterrupted advance would have to be continued in the coming year also.

Throughout the year German policy at home and abroad made it abundantly clear to people all over the world who had not lost their sense of decency that the leaders of the Nazi Party are bullies of the worst sort, that the German swastika is the mark of Cain, and that Germany is the home of barbarism in Europe.

#### AUSTRIA BEFORE THE "ANSCHLUSS."

The dawn of the last year of Austria's existence found her statesmen chiefly concerned as to the effect which Hitler's "Reichswehr Purge" would have on Austrian affairs, and concluding that little good was likely to come of it. Nazi propaganda showed signs of increasing activity, but the movement was not noticeably growing in popularity. But the long toleration by the police of the Nazi headquarters in the Teinfaltstrasse in Vienna, within whose walls the law of the land was set entirely at defiance, was a noticeable indication of treachery or weakness in high quarters, or of both. In an interview granted to a Polish journalist in January, Dr. Tavs (who with Captain Leopold was at the head of this bureau) boasted of the way the law against Nazism was openly broken in the Teinfaltstrasse offices, and this enabled Chancellor Schuschnigg to insist that the police should raid it on January 26. In a safe was found a cipher plan signed with the initials of the deputy of the Führer, Rudolf Hess, and subsequently ascertained to have been his work, which constituted evidence of a very dangerous conspiracy. Tavs was arrested and Leopold detained and interrogated.

The details of the plan which should have been revealed at the trial of Tavs were never actually published owing to the subsequent course of events, but they are now known with some exactitude. Briefly they provided for concerted terrorist action in Austria by the illegal Nazi movement, diplomatic action abroad by Germany to ensure the passivity of Great Britain, France, and Italy, the provocation of serious clashes between the Austrian authorities and the local Nazis, a declaration by Hitler that he could not look on and see German blood shed by Germans, and the invasion and annexation of Austria. In the discovery of what seemed to be a crazy as well as an outrageous plan in which Herr Hess was implicated, Chancellor Schuschnigg believed he had secured a trump card against Nazi Germany. When ten days later the German Minister, Herr von Papen, aided by Schuschnigg's own pro-Nazi Foreign Secretary of State, Dr. Guido Schmidt, urged the Austrian Chancellor to pay a "friendly visit to clear up misunderstanding" to Hitler in Berchtesgaden, Dr. Schuschnigg allowed himself to be persuaded to this fatal step, on condition that it was kept secret.

The condition was not kept, and within a couple of hours of Schuschnigg's arrival in Berchtesgaden on February 12, an amazed and bewildered Vienna heard that he was visiting the enemy camp. After a few hours of suspicious confusion, the Austrian Nazis became jubilant, deciding that there had been a capitulation. By Schuschnigg's instructions Austrian official quarters maintained silence as to the real situation and issued optimistic, unconvincing and misleading reports which found little credence. Dr. Schuschnigg's own supporters soon got the conviction that he must have capitulated.

At the interview, Dr. Schuschnigg had found himself treated from the start like a prisoner in the dock. The German Führer raved and stormed at him, employing the most insulting and humiliating terms, calling him a "murderer," a "dwarf," and using other terms couched in anything but diplomatic language. He declared that he himself (Hitler) was the greatest German who had ever lived. Finally Schuschnigg was presented with an ultimative programme of demands to be immediately complied with, and was shown at Herr Hitler's orders the plans for the invasion of Austria in accordance with the "R.H."—known in the Press as the "Tavs"—Scheme by the Generals who were to carry it through. The demands included the appointment of three Nazi illegal leaders to Cabinet posts and the immediate legalisation of Nazi activities. Schuschnigg finally accepted a part, but refused to agree to those which involved the powers reserved to the Head of the State, President Miklas, and undertook to put them before him.

There ensued three days of anxious consultation and bitter arguments in Vienna between Schuschnigg, Miklas, and other members of the Cabinet. Just before the expiry of the German time-limit, at 2 p.m. on Wednesday, February 16, the surrender was made. A new Cabinet was formed in which Schuschnigg handed over to the Nazi Seyss-Inquart the key portfolio of the Ministry of the Interior, to the pro-Nazi Guido Schmidt the Ministry of Foreign Affairs, and added a number of minor Nazi-ophile persons to the Cabinet. From this moment it was clear that Austria had surrendered all real independence to Germany. At the same time, Hitler's demand for an amnesty was complied with, and all Nazis, including large numbers of criminals and terrorists, were released. But Dr. Schuschnigg in addition released all the prisoners of the Left parties, in the belated hope of placating them and winning them over to stand behind him. This proved the beginning of a very rapid end in Austria. The day following his appointment as an Austrian Minister, Seyss-Inquart left to obtain his instructions from Berlin. In Vienna, where the Nazis were weak, they were told to hold their hand for the moment but in the provinces they were told to start disorders in all their strongest centres. Dr. Schuschnigg's collaborators at

Berchtesgaden had let it be known that Herr Hitler had promised in his Reichstag speech in return for Schuschnigg's capitulation to repeat and strengthen his assurances that Germany would respect Austria's independence. The speech was delivered on Sunday, February 20. It contained nothing in fulfilment either of this promise or of the others made that the political monopoly of the Fatherland Front would be recognised and an announcement made that in future the Austrian Nazis could expect no support from Germany. Emboldened by Hitler's failure to fulfil his promise the Viennese Nazis broke out immediately into illegal street demonstrations which continued almost without intermission until the final downfall of Austria on March 11. The Government's prohibition of political demonstrations had no effect. On February 22, at Schuschnigg's request, Seyss-Inquart broadcast a speech accepting Austrian independence, urging the Austrian Nazis not to fight it and upholding the existing Austrian Constitution. On February 24, Dr. Schuschnigg delivered a great broadcast speech to the Federal Council in which he rejected Nazi ideology but spoke in warm terms of the Berchtesgaden Agreement, emphasised Austria's "German Mission" and the desire for the greatest possible friendship with Germany but insisted on the necessity of maintaining her independence. His recital of the positive financial and commercial achievements of Austria and her existing sound financial situation made a great impression on his hearers, both Austrian and German, and were badly received by official Nazi Germany, where they were characterised as propaganda against Herr Hitler.

All over the country the Fatherland Front staged quick demonstrations of loyalty to Austria. They were an answer to the illegal Nazi demonstrations and torchlight processions at which the forbidden swastika banner was displayed and the forbidden Horst Wessel song sung. As was to be proved a few days later, the police and gendarmerie were honeycombed with Nazi conspirators, and it was thanks to this that despite the fact that the Nazis were still very much in a minority, the authority of the State began rapidly to break up. Despite emphatic assurances given by Dr. Schuschnigg to the Jewish community, suicides already began among its members which after the Nazi triumph were to run into thousands. On February 27, troops, aeroplanes, and armoured cars were sent to Graz and effectively stopped a planned Nazi march of 60,000 Storm Troopers on the city. Three days later, on March 1, Dr. Schuschnigg sent Seyss-Inquart down to Graz to persuade the local Nazis to maintain order and adhere to the agreement reached in Berchtesgaden. Instead, Seyss-Inquart, as a member of Schuschnigg's Cabinet, allowed 15,000 Nazi Storm Troopers with illegal banners and slogans to march past him in torchlight procession, and on the following day he authorised them to continue their illegal activities. On March 3,

the Government repudiated this illegally-given permission. On March 5, Seyss-Inquart went to Linz and addressed the local Nazis in terms which were an encouragement to them to continue illegal action. Meantime, Chancellor Schuschnigg, by an act of death-bed repentance for his four years' continuation of Dr. Dollfuss' oppression of the Socialist workers, was making desperate efforts to gain their support in the imminent national peril. He summoned the Socialist leaders to him, many of whom were still working illegally against his dictatorship, and asked their opinion. They told him frankly that they were not in a position to persuade their followers to support a regime against which they cherished such bitter memories, but that they fully recognised the peril involved in the Nazi conspiracy, and if a certain minimum of their liberties were restored—their demands were so moderate that they did not even include the restoration of Parliament—they were sure they could bring the workers in to fight, not under Schuschnigg's banner, but at his side against the German peril. On March 7, for the first time since Dollfuss suppressed Parliament and the Socialist movement, the workers' leaders were allowed to meet freely in Vienna, when they settled the details of a minimum programme which consisted chiefly of demands for restoration of trade union liberties and of the workers' social institutions. For the next four days negotiations with the Government continued, but they were sabotaged by subordinate officials of the Fatherland Front who feared to loose posts through the restoration of the workers' liberties.

On March 9 Schuschnigg went to his home country, Tyrol, to deliver in Innsbruck a sensational speech in which he took Herr Hitler at his word in his demand for "self-determination" for Austria, and announced that on March 13 he would hold a plebiscite on the question of whether or not the people desired an independent Austria. For some years the Austrian Nazis had been demanding a plebiscite, but the news that one would be held before they would have time to bring the full weight of Germany's funds and influence to bear came as a shock to them and to the Third Reich. Immediately the word was passed for the Austrian Nazis to start disorders and demonstrations against the plebiscite in all parts of the country. Preparations for Sunday's plebiscite were being pushed ahead feverishly when at 10 a.m. on Friday, March 11, an announcement was broadcast calling up a class of reservists. Shortly afterwards it became known that at 10 a.m. Dr. Schuschnigg's Minister of the Interior, General Glaise von Horstenau, had arrived from Berlin, bearing an ultimatum which was delivered to Schuschnigg by his Minister of Security, Seyss-Inquart. It demanded the cancellation of the plebiscite. Schuschnigg declined but offered to put two questions to the electors—"Are you for the independence of Austria with Schuschnigg, yes or no? Are you for the independence of

Austria without Schuschnigg, yes or no ? ” This was rejected by Berlin, and at 1 p.m. Glaise Horstenau and Seyss-Inquart presented a further ultimatum, warning Schuschnigg that by 4 p.m. he must have announced the postponement of the plebiscite or Germany would invade the country. At 3 p.m. Schuschnigg yielded. At 4 p.m. Herr Hitler's confidant, Secretary of State Keppler, brought another written ultimatum which demanded, now under threat of invasion, the resignation of Schuschnigg (who in response to a verbal demand just before had already tendered his resignation to President Miklas and had it refused), and the appointment of a complete Nazi Cabinet under Seyss-Inquart. The time-limit was fixed as 7.30. Unless the demands made had been accepted by that time, an army of 200,000 men, already massed on the frontiers for the invasion of Austria, would march in. By 7 p.m. not only had the ultimatum been accepted, but this acceptance was broadcast to the world in a dramatic speech by Dr. Schuschnigg, giving the bare facts of the day's terrible history. Nevertheless the German invasion began that night.

Simultaneously, Austria became one vast prison for democrats, Catholics, Socialists, Communists, and Jews. Armed Nazis rushed to the frontiers to catch the countless thousands of fugitives who made a wild dash for safety, but in any case, neighbouring countries, fearful of the consequences of harbouring refugees from the Führer's wrath, had closed their frontiers.

That same night Dr. Schuschnigg and all the non-Nazi members of the Government, except one or two who had fled, were arrested by the rebels. Dr. Schuschnigg had refused all suggestions that he should save himself and had quietly awaited arrest and the arrival of the invader. By the morning of March 12 the reign of terror against Catholics, Jews, Socialists, and Communists had set in, and over night every patriotic Austrian found that his patriotism had become high treason. How many thousands of patriotic Austrians were rounded up in the course of the next few days, how many plundered, how many killed by their enemies, and how many committed suicide in despair, it will never be possible to say with accuracy. In this reign of terror the invading German Army as a whole took no part. It was entirely the work of the Austrian Nazis and of German Nazis who came in advance or followed in the wake of the Army.

The first German troops arrived in Vienna on the night of the day when Dr. Schuschnigg should have held his plebiscite, on March 13. They were accompanied by the dreaded S.S. guards whose chief, and head of the Gestapo (Secret Police), Herr Himmler, were sent to Vienna by airplane on Saturday, March 12, to make sure that none of Herr Hitler's intended victims escaped. That same evening, it was announced that Austria had become part of Germany. The procedure was that

President Miklas was stated to have "resigned at the request of the Federal Chancellor, Dr. Seyss-Inquart." Thereby, it was claimed, his functions passed to Dr. Seyss-Inquart who had issued a decree making Austria part of the German Reich. Thus ended Austria.

#### AUSTRIA AFTER THE "ANSCHLUSS."

The first year of the National-Socialist regime in Austria was not a complete success from the Nazi point of view. If the economic side of the old problem of Austria showed some improvement, especially in respect of the reduction in the number of the unemployed, internal political tension was very high, and in spite of all efforts discontent prevailed among wide sections of the population.

The preparations for the plebiscite, by which the "Aryan" population was expected to declare its approval of the "Anschluss" and which was finally held on April 10, fully occupied the party and the nazified administration during the preceding weeks. The party tried to give these preparations the character of a real fight for votes, and all the party leaders from Germany, Hitler included, delivered a number of public speeches, which were broadcast throughout Germany and Austria, attacking and insulting a defenceless and silenced opposition. The Nazi Storm Troopers—the S.A. and the Nazi Black Guards—the S.S., led by the State secret police, who had installed themselves in the Jewish-owned Hotel Metropole, had lost no time in arresting anyone suspect of being a partisan of Austrian independence, and the German concentration camps were crowded with political prisoners long before the day of plebiscite. About two-thirds of the officers of the former Austrian Army, believed to favour "Legitimist" tendencies in the interest of the pretender to the Austrian throne, the Archduke Otto of Hapsburg-Lorraine, were interned in a special concentration camp in Upper Austria; many garrisons, especially in Tyrol, Vienna and in the Burgenland showed evidence of their loyalty to the Austrian cause and of their discontent with the new state of affairs.

The way political opponents and Jews were dealt with indicated clearly that the regime desired a full victory and meant to get it. The plundering of Jewish shops and stores, nightly raids by the S.A. on Jewish homes, the thousands of arrests, the widespread activity of blackmailers and the wave of suicides which were the consequence of these methods employed partly by the Government itself and partly encouraged by its toleration, showed that the new regime did not shrink from employing unlimited terrorism. Nevertheless, the 99 per cent. of the voters who voted "Yes" might not have done so, had it not been for

the attitude of the bishops of the Roman Catholic Church, who invited the Catholic population to vote for the "Anschluss." This sudden change of front caused bewilderment and doubt among Catholics, of whom some 35 per cent. had hitherto followed their bishops' advice.

The adoption of a new policy by the Church towards National-Socialism which had hitherto been regarded as a most dangerous kind of modern heresy, a policy for which the Cardinal-Archbishop of Vienna, Dr. Theodor Innitzer, was responsible, needs some explanation. Nobody in Austria expected that even a majority of "No" voters at the plebiscite would have the slightest effect on the "Anschluss." The plebiscite was not intended to decide the question of the "Anschluss," but to furnish a Government relying on brute force with a certain semblance of legality. The Church which for years had led the fight against National-Socialism had to make its peace with the party, if it were to continue its religious work undisturbed. In Germany, where the tension between the Party and the Church had been very strong for years, this change in Austria was greatly resented in Catholic circles and led to the exclusion of the Austrian bishops from the annual conference of the German bishops.

The hopes of the Austrian bishops for a better understanding with the new authorities were, however, not fulfilled. The Concordat, concluded between the former Austrian Government and the Vatican some years previously, which reserved to the Catholic Church certain rights of teaching, and the establishing of confessional schools, the establishment of a Catholic university in Salzburg and, under certain conditions, jurisdiction in the matter of marriages between Catholics, was no longer regarded as valid. The introduction of the Nuremberg laws, the German marriage laws, the abolition of the principle that matrimony between two persons, one of whom professed the Roman Catholic faith could not end otherwise than by the death of one of the consorts, and the closing of all private schools, those of the Church not excepted, dealt a heavy blow to Catholicism in Austria. The dissolution of the Catholic *Volksbund* on August 23 completed a whole series of anti-Catholic measures, the first of which had been the prohibition to participate in the Budapest Eucharistic Congress of May, 1938. These facts, combined with the open hostility of the National-Socialist youth organisations to the Church and its servants, the blasphemous attacks on the founder of the Christian faith and on many saints of "non-Aryan" origin created complete disillusion. Catholic demonstrations in favour of religious principles and of the Cardinal-Archbishop, which took place after the evening service in the Vienna Cathedral of St. Stephen on October 7, were promptly answered by a counter demonstration of the National-Socialist youth, which resulted in the riotous storming of the Episcopal Palace near the Cathedral.

Furniture in the Palace was destroyed and burned, a number of priests were attacked and wounded, one of them being thrown out of a window and dying some weeks later of his injuries. On October 14 Herr Buerckel, the Reich's Commissar for Austria, denounced in a public speech the "treacherous attitude" of the Church and its "pro-Jew and pro-Czech" activities. He declared that all agreements between the State and the Church were cancelled, saying that though he had intended to leave the Church one seminary, he had now definitely decided not to do so. On October 17 the bishop for Upper Austria in Linz, Dr. Gfoellner, was obliged to promise the dismissal of "political priests," who were threatened with the stopping of their salaries. On December 12 twenty-four Catholic priests were arrested; while nineteen of them were imprisoned, five were sent to the concentration camp at Dachau. As some 85 per cent. of the Catholic population had requested that their children at school should receive religious instruction, an inquiry was ordered into the way teachers gave this instruction in order to ensure that only politically trustworthy people should be charged with this teaching.

During the first days after the "Anschluss," 10,000 workers and employees, for the most part those who inclined to Communism and Socialism, had been invited for a fourteen-day trip to Germany where they found a hearty welcome and were shown the institutions of the *Kraft durch Freude* (strength through joy) movement. In this way the Nazis hoped to show their consideration and friendship for the working classes and to convert their political opponents. They did not succeed. The open terrorism, the manifest preparations for war and the spirit of chauvinistic militarism which governed their activity, failed to find the approval of the Austrian Socialist masses, who represented some 35 per cent. of the whole population. The Austrian Socialist, as a convinced pacifist, wanted to live in peace with the democratic nations. If there were to be a war, which should find the approval of the Austrian population, it would have to be a war against Italy, which was the object of hatred and contempt throughout Austria, where its attitude during and after the World War had not been forgotten. On July 5 the Austrian trade unions had been dissolved and their funds, some 55 million Austrian shillings, had been confiscated and given to the German Labour Front. While a marked shortage of labour began to make itself felt, conditions of work deteriorated. Longer working hours were imposed without being followed by an increase in salaries, so as to correspond with the increase in the cost of living. The Socialist underground opposition activities did not cease, and the use they made of the enforced extinction of all lighting during the air-raid precaution practice at the time of the Czechoslovak crisis caused the authorities subsequently to hold these exercises



by daylight. Some forty arrests were made and the concentration camps received new guests.

Within the ranks of the National-Socialist Party there was likewise discontent and tension. Soon after the "Anschluss" the Austrian Nazis found themselves in three groups, one moderate, led by the Reichsstatthalter Seyss-Inquart; one radical, led by Captain Leopold; and the third, consisting of Austrians and Germans under the leadership of the Reichskommissar Buerckel. With the occupation of Austrian territory by the German Army, a large number of German Party and State functionaries had entered the country and taken over all branches of administration. The bigger portion of all the lucrative jobs available had been given to Germans, and the Austrian members of the Nazi Party, who for years had run all the risks of opposing the Dollfuss and Schuschnigg Governments, found themselves for the most part deprived of the fruits of what they called "their" victory. Especially the section led by Captain Leopold had been deeply disappointed and proved to be so much embittered by this state of things, so reckless and so determined to bring about a change, that a new purge, resembling that of July, 1934, was thought inevitable to re-establish discipline and order. Many arrests of party members were carried out and a large number were sent to Dachau and other concentration camps, while some 135 were shot. Herr Buerckel, who had ordered these executions, had undoubtedly secured the approval of Hitler himself beforehand; Leopold and his staff were reported to be among those who had been executed. This draconic measure rapidly re-established discipline; whether it has also brought about appeasement may be doubted.

No time was lost in tackling the economic problems of the "Anschluss." The Vienna Stock Exchange had been closed on March 12, and remained closed during nearly the whole year 1938; the Reichsbank took over the Austrian National Bank with all its assets, and on April 25 its shareholders were offered in exchange of their shares 4.5 per cent. German treasury bonds. The surrender of gold, unwrought or coined, and of foreign currency in the possession of private owners was ordered; everybody had likewise within a given time to notify his holdings of shares and securities in foreign currency, their claims against foreign debtors, assets, landed property and other assets situated or payable in a foreign country. The Reichsbank was authorised to acquire all these assets at the official quotations of the Berlin Stock Exchange, which did not always correspond to the real value of this property. The relation between the Reichsmark and the Austrian Schilling was fixed at 1:1.50, and by May 15 the Reichsmark had already replaced the Austrian currency. Austria, which had always been able to buy all necessary raw materials from abroad, was flooded by German buyers, and within

a short time quality goods, especially textiles, became scarce. The German Customs had been immediately abolished; the Austrian Customs remained in force for sometime and only disappeared gradually. In spite of repeated prohibitive orders and severe punishments inflicted on offending merchants, prices steadily rose, and by the end of the year there was a shortage of butter, eggs, meat, fruit, coffee, vegetables and other provisions.

At the same time, thanks to big public works and rearmament, the number of the unemployed sank rapidly. Many of them were transferred to other occupations or sent to work in the old provinces of Germany. There were radical changes in heavy industry; the Reichswerke Hermann Goering, being built at Linz on the Danube, and destined to use the ore of the Styrian fields, soon united the biggest Austrian industrial plant (as for instance, the Steyr-Daimler-Puch Werke, the Simmeringer Maschinen und Waggonbaufabrik A.G. and the Steyrische Gusstahlwerke A.G.). After the completion of the projected Rhine-Main-Danube canal and the Elbe-Oder-Danube canal, the Reichswerke Hermann Goering and the Austrian Danube ports, especially at Vienna and Linz, will be linked by water-ways with the English Channel, the German Ocean, the Baltic, and the Black Sea; Vienna is to become the centre of all German commerce with the countries of South-East Europe.

The treatment of the Jews, which had from the beginning shown a well-planned and hitherto unprecedented brutality, found within a short time ready imitation throughout Germany. Some 200,000 Jews lived in Austria, and a like number were considered Jews by descent. The brutalities began on April 23, and it was clear that the scheme of Jew-baiting had been worked out in readiness for the "Anschluss." In the Jewish quarter of Vienna the only act not permitted was deliberate killing. But short of this no beastliness was omitted. Jews were robbed of everything they possessed. S.A. and S.S. men calmly invaded the houses of Jews, smashed the furniture and helped themselves to what they liked. Women were forced to scrub the streets and the latrines of the party offices. No difference was made between old and young, women or children. This organisation of "scrubbing squads" continued for a long time. The Jews were made to clean the Storm Troopers cars, rooms, and windows in barracks and hotels occupied by Storm Troopers. Often enough, and this seems to point to mere sadistic cruelty, the victims were made to don their Sabbath attire—silk hats, and also their religious praying shawls and phylacteries, while forced to do this work. One synagogue was invaded by a large group of youths during evening prayers. Everyone was placed under arrest. A group of Jews was taken to the Prater, the great Park of Vienna, and forced to lie flat on their faces with hands

and arms outstretched. Then S.A. men in nailed jackboots marched over their hands, breaking the finger-joints.

Nor was this all. About 30,000 Jews were arrested and sent to German concentration camps, from which none were released until after their friends had provided them with a *visa* for emigration to some foreign country. About 10,000 are supposed to have committed suicide, being deprived of all means of existence or having collapsed under the constant threat of being arrested and confined. Some 70,000 left the country in 1938; the rest of them, together with all the other Jews and "Non-Aryans" of Germany, were awaiting the possibility to emigrate, some 60 per cent. of them having become dependent on the support of foreign Jewish communities and charitable organisations. When in November the murder of Herr vom Rath at Paris was reported, in Austria as in the other parts of Germany Jewish shops were plundered and destroyed; in Vienna 22 big synagogues and about 80 small ones were blown up by dynamite or set on fire, and not even the Jewish cemetery was spared. By December 31 all Jewish economic activities had to cease, and the ruin of Austrian Jewry was complete.

When the year closed, the last Austrian federal Chancellor, Dr. Kurt von Schuschnigg was still held in custody by the secret police in the Hotel Metropole.

It was significant as evidence of the irrevocable effects of the "Anschluss" that the ancient denomination of "Austria" was replaced by the nearly forgotten term "Ostmark," which dated back to the times of Charlemagne. The provinces of Upper Austria and Lower Austria were consequently renamed "Oberdonau" and "Unterdonau," Upper and Lower Danube, a new province or Gau, that of Vienna, was created and their boundaries newly fixed. These later included the southern part of the newly acquired Sudeten districts, which were incorporated in the Gau of Upper Danube and the territory of the former province of Burgenland, which was divided between Styria and Lower Danube. Thus no means were neglected by which to efface from the memory of the population the recollection that there had existed for more than 1,000 years a State called Austria.

## CHAPTER IV.

SOVIET RUSSIA — ESTONIA — LATVIA — LITHUANIA — POLAND —  
DANZIG — CZECHOSLOVAKIA — HUNGARY — RUMANIA — YUGO-  
SLAVIA — TURKEY — GREECE — BULGARIA — ALBANIA.

## THE SOVIET UNION.

THE year 1938 witnessed a marked change in the relation of the Soviet Union to her two Allies among the Western Powers—Czechoslovakia and France. The German occupation of Austria in the spring forced Czechoslovakia to look more closely to her defences and to make further efforts to adjust her relations with her neighbours and her Allies. Among Czechoslovakia's "safeguards" was a treaty with the Soviet Union. This was to become operative only in case France honoured her obligations, and France herself being anxious as to what her position would be in case of German encroachment on Czechoslovakia, the state of the Russian Army and her readiness for an emergency became a vital question for France. In spite of the fact that many military experts testified to the adequacy of Russian equipment and military organisation, the prestige of the Union as a Power on which the Western Democracies could confidently rely in case of aggression on the part of Germany continued to fall rapidly during 1938. This was due to the uninterrupted purges going on in Soviet Russia and affecting very large numbers of the highest military officers. The charges against these officers included military sabotage, reducing supplies for the Army, and dealing with "Fascist enemies" to the extent even of betraying Russian military secrets. It was due to this circumstance, so clearly brought out at the trials of the various generals and others in 1937, that the French military authorities persistently avoided making definite arrangements for General Staff talks for closer co-operation with the Soviet Army. It was feared that at least some of the secret plans would have to be made known to Russian officers, some of whom might become the victims of a high treason trial. These Staff talks never took place, and co-operation between the Soviet and the French Armies was never arranged notwithstanding the efforts made by the Soviet Union military chiefs.

The proceedings at the high treason trials did not bring out very clearly the true reasons for the removal of so many officers of the highest command of the Red Army. In spite of all the confessions and admissions of the most horrible acts of sabotage and wrecking, the general impression remained that the real purpose of the trials was to suppress a certain orientation in the Soviet foreign policy allegedly supported by these generals and former

leaders. It was an orientation towards Germany and away from France; and it is worthy of note that a similar trial of officers of the German Army seeking co-operation with the Soviet Army took place in Berlin in 1938.

But the Western European orientation, supported by M. Litvinov, the Foreign Commissar of the Soviet Union, also faded somewhat during and after the Czechoslovak crisis and the Munich Agreement. At the beginning of September, whilst Lord Runciman and his assistants were busy in Czechoslovakia, the Soviet Press—which is of course under the complete control of the Government—was full of accusations against the British Government, who were represented as breaking down the Czechoslovak defences from within. Military preparations were very intensively carried on in the Kiev and White-Russian military districts, the two important military border regions of Russia in the West. For this reason the customary end-of-summer manœuvres were suspended, while the military establishments of the several Army Corps of these districts were brought into a state of readiness.

On August 22, shortly after the commencement of the German manœuvres, the German Ambassador in Moscow, after recalling the neutral attitude of Germany during the conflict between Russia and Japan a little earlier, inquired of the Commissar for Foreign Affairs about the attitude of the Union in case Germany should take measures to assist the Sudeten Germans in their conflict with the Czechoslovak Government, and he was told definitely that the Soviet Union would carry out the obligations of their treaty with Czechoslovakia of 1935. Just before Litvinov's departure for Geneva, the French Government, for the first time, inquired as to what the Soviet Government proposed to do in case of an attack on Czechoslovakia. The Russian answer was very clear: they would carry out their treaty obligations and they would help Czechoslovakia simultaneously with France, using all means and methods at their disposal. Their Military Command was prepared to enter into immediate consultations with the Staffs of France and Czechoslovakia as to the measures required to meet the emergency. In order to avoid a war they considered it advisable immediately to call a conference of the Great European Powers and other States interested in the matter which would concert their policy and make representations on this problem.

Two days earlier (September 19), the Czechoslovak Government, also for the first time, had inquired whether the U.S.S.R. was willing to come to her rescue, if the same would be done by France in fulfilment of her obligations. To this they gave a clear reply in the affirmative.

During the session of the League of Nations in the middle of September, the presence in Geneva of the representatives of the

Soviet Union, France, and Great Britain was used as an opportunity for the three Powers to discuss their attitude, if not their policy, in the approaching emergency. On September 21 Litvinov, speaking at the League meeting, repeated the assurances he had given, and complained of the lack of co-operation on the part of France and Great Britain. He stated that immediately after the Anschluss the Soviet Government had officially approached the other Governments with a suggestion to discuss the consequences of the Anschluss and to take preventive measures against the possibility of further steps by Germany. Russia had been fully aware of the significance of the Anschluss for the position of Czechoslovakia and for the whole of Europe, but unfortunately, the importance of the Russian proposal had not been fully appreciated. The Soviet Government, which had a treaty of mutual assistance with Czechoslovakia, did not wish to interfere in the negotiations with the Sudeten Germans, as they considered the position of that minority a matter of Czechoslovak internal politics. They offered no advice one way or the other, as they did not wish to create the impression that they desired to avoid the fulfilment of their obligations. They appreciated the tactfulness of the Czechoslovak Government in having made no inquiries as to Soviet readiness to assist them, and the Soviet Government took this as a proof that the Czechs were in no doubt about it.

That Russia was in no way directly responsible for the fate of Czechoslovakia was further shown by the fact that the Union was not invited to be present at Munich and that Russia took no part in the settlement of the new frontiers of Czechoslovakia.

The immediate consequence of the Munich Agreement and of the new position of Czechoslovakia was a radical change in the foreign policy of that country and the denunciation of the Czechoslovak-Soviet Treaty of mutual assistance of May 16, 1935. Soviet ties with France were also weakened, though in December, M. Bonnet announced to the Foreign Affairs Committee of the Chamber of Deputies that the Franco-Russian Pact remained intact.

No sooner was Germany established in Czechoslovakia than she began to stir up trouble in the Ukraine. German intrigues in the Polish Ukraine seriously alarmed the Polish Government, which turned to the Soviet Union for a new understanding. Officially the re-establishment of more friendly relations between the Soviet Union and Poland covered only more active economic intercourse, but it was no secret that the two Governments commenced to concert measures for dealing with the Ukrainian problem, and they renewed the pledges contained in their non-aggression Pact of July 25, 1932. By par. 3 of this Poland and Russia undertake not to render assistance to a third Power in case either of them is attacked by it. Serious alarm was evinced in

the Soviet Press over the way in which Germany was steadily moving down the Danube and establishing close relations with Turkey and especially in Iran, from which much of Russian commerce was ousted during the year. At one time, some of the leaders of the Soviet Administration had encouraged the settlement of Germans in the Caucasus, but in 1938 this policy was reversed, all the German settlements already formed were forcibly dispersed, and settlers from Central Russia were sent in their place. Those who had promoted the earlier policy received "exemplary" punishment.

In December the Russian Grand Duke Vladimir, the claimant to the Russian Throne, was alleged to have been invited by Hitler to meet him in Germany for the purpose of discussing the Ukrainian problem, *i.e.*, agreeing to become the Head of the new Ukrainian State to be placed under German protection. The Italian Foreign Secretary was said to be entrusted with the mission of preparing the Hungarian Government for that eventuality, and the Russian Minister in Prague protested to the Czechoslovak Government for allowing Ukrainian propaganda on its soil. At the same time, many of the Soviet-Ukrainian leaders, both of the party and of the State administration, were disgraced, degraded, and eventually executed on charges of excessive "nationalism" and separatist tendencies, as shown, for example, by not teaching Russian in Ukrainian schools, not having sufficient Russian newspapers, and publishing an "one-sidedly Ukrainian" dictionary.

In view of these developments and the diminished ability of France to carry out her obligations in Eastern Europe, the problem of Russia's military strength became one of vital importance. Germany had come much nearer to the Russian frontier, and through her efforts in the Memel area and by gaining influence in Lithuania was steadily coming nearer still, thus making a conflict almost inevitable. More gravely than even before the Soviet Union was faced with danger from her two antagonists—Germany in the West and Japan in the East. For this reason, during the year special efforts were made for the strengthening of the defences on the Western frontier of Russia: from many localities the population was evacuated, new fortifications were built and a new network of roads and strategic railways was constructed. At the same time hurried preparations were made for the further improvement of the telephone system (nearly 6,000 miles).

Special attention was also paid to the railways leading across Siberia to the Far East regions, where frontier incidents hardly ceased. One such incident which nearly developed into a war and which provided a sort of trial of strength between the Soviet and the Japanese forces, occurred in the Changkufeng area, a hill of strategic importance, which, strangely enough, had remained

unoccupied until only a few months earlier, at a place where the frontiers of Manchukuo, Korea, and Russia meet. According to an old treaty between Russia and China made in 1886, the Changkufeng Hills were within the Russian frontier. On July 26, a Japanese party crossed into the area with artillery and tanks, overpowered the small Russian post which held it, and established themselves there. Fighting began and continued on an ever-increasing scale, the Russians demanding the unconditional withdrawal of the Japanese troops. After a few days' fighting, during which the Japanese brought up reinforcements from the front in China, the Japanese offered to withdraw their troops on condition that the Russians agreed to leave the hills unoccupied and to submit the question of fixing the frontier to an Arbitration Commission. This Litvinov refused. The fighting gradually spread to the entire zone around the Changkufeng Hills and lasted till August 11, when the Japanese, who seem to have lost their positions, were forced to retreat and to ask for an armistice. The armistice was signed on August 12, and a Commission consisting of two representatives from each side began to work on the demarcation of the frontiers.

This attack by the Japanese on a Russian frontier post far removed from the principal theatre of war in China was most probably due to the assumption that the Russian Far Eastern Army was demoralised by the purges among Army commanders then going on in the Far East. A great sensation was caused by statements made in Tokio by a Russian O.G.P.U. Chief, Lushkov, who deserted from the Russian side to the Japanese early in July, and who was said to have brought with him a large quantity of secret material relating to the state of the Army. Lushkov disclosed that before he had left, 700 officers of the Red Army in the East had been arrested, among them the adjutant of Blucher, the Commander in Chief, and many other commanders.

Blucher was in command of the successful operations at Changkufeng, but soon after he himself was called to Moscow and all trace of him was lost. On December 16, Russian newspapers mentioned casually that Marshal Blucher was freed from prison and given a minor post in the Ministry of Defence.

The purges in the Army must have been carried out on a large scale, although the number of officers of higher rank and those with higher military training removed from the commanding posts has not been divulged. The official explanation of the purge was the necessity of knitting the Army more closely together by eliminating plotters and potential traitors.

The official theory regarding the proper organisation of the country for a war which the public was fully expecting and which was considered by the highest quarters a near possibility (as illustrated by speeches of the War Commissar during the celebrations of the 21st anniversary of the Bolshevik Revolution)



also underwent a radical change. The old revolutionary military school, while recognising that the rear of an Army at war must be strong and well organised, considered that the rear of the advancing Red Army would be not in Russia itself but among the revolutionary workers of the enemy, *i.e.*, of the countries with which Russia would be at war, chiefly Germany. This reliance on the German workers now organised under the Hitler regime faded very considerably, and it was decided that the rear of the Red Army must be placed on the Russian side of the Army. Many higher officers paid with their lives for the old theory, although this theory was never rejected by the present War Commissar, and feverish preparations were begun to correct and make good what had been neglected for so long.

In this connexion, the stability of the regime, always a subject of anxious vigilance on the part of the ruling Political Bureau, and often in fact almost its sole concern, received a special significance as one of the prerequisites for the defence of the Soviet Fatherland. The old method of securing this stability, never really abandoned, *viz.*, that of purges and destruction of the enemy at home, was practised with especial vigour in 1938, and spread to the civilian population and civil leaders. The shooting of persons suspected of plots against Stalin and Yezhov, the implacable chief of the O.G.P.U., continued relentlessly. Suspicion fell also on diplomats, and at the beginning of 1938 the diplomatic representatives of the Soviet Union in China (Bogomolov), Germany (Yurenev), Poland (Dawtjan), Turkey (Kursky), Estonia (Ustinov), Latvia (Brodovsky) and several others were removed from their posts. In May they were all tried, found guilty on various charges, and punished in the usual way.

Of these trials the most spectacular and the one that most stirred public opinion in Europe was the so-called Trial of the 21 or of the Block of the Right-Wingers and the Trotzkyists. Among the accused were (to give names of those only who were the highest representatives of the Soviet Union in foreign countries, or otherwise well known in Europe): Krestinsky, for a long time Ambassador in Germany and Assistant Commissar for Foreign Affairs; Rakovsky, Ambassador in England and France; Rosengolz, Head of the Trade Delegation in England and for a long time acting Ambassador in this country; Grinko, Finance Commissar; Rykov, Chairman of the Council of Commissars of the R.S.F.S.R.; Bukharin, the Editor in Chief of the official Soviet newspaper and philosopher of Bolshevism; and Yagoda, the Chief of the O.G.P.U., who in 1937 prepared the Tukhachevsky, Yakir and Putna trial when so many generals perished. The charges alleged plotting with Germany, Japan, and Poland, and readiness to "open the frontiers of Russia" to these Powers, sabotage and direct wrecking, service in the Tsarist Secret Police

(some since 1911), and the murder of Maxim Gorky and several other prominent Bolshevik leaders. In the end Yezhov, the new chief of the O.G.P.U., who took the place of Yagoda, one of the accused in the trial, made them all confess their "crimes." The efforts of the Attorney were directed towards implicating all the prisoners in the Tukhachevsky plot of 1937, which had for its purpose to occupy the Kremlin, murder Stalin and establish a military dictatorship.

The trial lasted for ten days, and of the 21 prisoners 18, including Bukharin, Rykov, Yagoda, Krestinsky, Rosengolz, and Grinko were sentenced to death, and Rakovsky (at the age of 70) to 20 years penal servitude (March 13, 1938).

Before this trial was over, a new trial of 11 was announced to take place later in the year, and among those arrested in connexion with this trial were former Commissars, members of the Central Committee of the Communist Party, and other persons connected, however remotely, with some of the accused in the trial of 21.

Nothing perhaps can give a better idea of the strains and stresses of the political situation in the Soviet Union than the rapid and violent changes that took place in the higher spheres of Government. Thus, of the eight military judges who tried Tukhachevsky, Yakir, Putna, and the others in 1937, Alksnis—the chief of the Soviet Air Forces and Vice-Commissar of Defence—was disgraced in December of the same year; Dybenko—the supreme commander of the Leningrad Military District—was removed from his post in February, 1938; and General Kashirin, commander of the Caucasian Military District, and General Goriatchev, chief of the Cossack Divisions, were disgraced a little later. Two other of these judges, Generals Belov and Shaposhnikov, suddenly ceased to be mentioned on occasions when their presence was expected, and, as mentioned above, Marshal Blucher, who also took part in that tribunal, was also arrested and imprisoned and, towards the end of the year, given a minor post in the administration. Similarly, most of the members of the Committee who worked out the new Constitution of the Union, now "in force," have been disposed of as the "enemies of the people."

At the end of November, Yezhov himself was found guilty of abuse of power, removed from his post as Chief of the O.G.P.U. and arrested in order to be tried in 1939; hundreds of prisoners wrongfully kept by him in prisons and concentration camps were set free. This process of wiping out the minor consequences of the Yezhov misrule was going on during the whole of December.

The new Chief of the O.G.P.U., one Beria, appointed only in November, is stated to have dismissed 470 of the highest officers of the O.G.P.U.; he has reorganised the guard of Stalin and the Kremlin, and was by the end of December creating a new

apparatus of secret police administration preparing for yet another thorough purge of the Army and the Party in 1939. As has now become customary in present-day Russia on such occasions, Madam Yezhov divorced her disgraced husband. Previously Madam Tukhachevsky, Madam Rosengolz and other wives and widows of disgraced leaders had asked to be allowed to change their names so as not be continually reminded of the disgrace.

The campaign continually carried on by the Soviet Secret Police against the Russian political emigrés—often with the help of some of the emigrés themselves—led in 1938 to a sensational trial in connexion with a very mysterious disappearance of a Russian general, Miller, who is supposed to have been kidnapped by the Soviet Agents in France.

In January, 1938, special measures were taken to increase the naval armaments of the Union, especially in the Baltic and the White Sea areas, and new construction of submarine units (at present numbered at 160) began on a very large scale. It was only then that the Russian Admiralty began taking serious notice of the consequences of the Anglo-German Naval Agreement, which released a good proportion of German military shipping for the Baltic. Russian naval strategy was adjusted to the new naval position, and measures were taken to strengthen the naval command similar to those taken in the Army.

Economic relations with other countries were on the whole satisfactory. On the very eve of 1938 the Soviet Government renewed their Trade Agreement with France, and signed an Agreement about fishing in the Far East with Japan and a Trade Agreement with Lithuania. On March 1, an Agreement was concluded with Germany regarding the turnover of goods and payments due between these two countries in 1938. On December 29, this was extended for another year. Trade with Germany, both on the export and import side, showed a great falling off in 1938. The trade relations of the Soviet Union with other countries—apart from minor disputes with Italy and Japan regarding some payments in connexion with former agreements—were normal. Towards the end of 1938 the agreement with Japan about the fisheries gave rise to difficulties which were one of the causes of the strained relations between the two countries.

Of the home problems of an economic character the most important was still that of transport. The ablest among the Commissars, L. Kaganovitch, was placed in charge of railway transport and considerable improvement was effected in the carrying capacity of the railways. To avoid the necessity of transporting coal from the Donetz Coal Basin, situated in the far South, special attention was given to the development of power stations through the utilisation of water. 1938 was the first year of the third five-year plan, and large developments are

planned in the provision of water-power. Water-power electricity still represents only a small percentage of the Russian power used in the rapidly expanding metal industry, especially in the production of high grade steel and non-ferrous metals, the consumption of which has grown very considerably. At the same time, great efforts were made to facilitate the transport of coal and other bulky goods to the localities where many industries have sprung up by the building of canals, and much attention was paid to the greater use of oil and the utilisation of "turf," a kind of slow-burning mud which gives out a considerable amount of heat. It is very abundant in the northern districts and its use in industry is steadily increasing. In 1938 great strides were made in raising this "turf" in largely increased quantities.

One of the most important steps in the development of water transport was the great advance made in 1938 with the building of the Volga canals. This work has now entered on its final stage, which will take another seven years to complete. When it is completed, ocean-going vessels will travel right across Russia, going from the White Sea and the Baltic to the Black Sea. The parts of the scheme already completed are in a position to relieve the railways of scores of thousands of tons of freight, thus allowing the use of thousands of cars for the transport of other goods, not excluding goods of a military nature. A tremendous reservoir now being formed between two important tributaries of the Volga (Mologa and Sheksna) will have enough water to irrigate large areas, increasing their output of cereals by 3,000,000 tons and supplying 4,500,000 kilowatts of electric power to places a thousand miles apart.

The military aspect is not the least important feature of the scheme, and the greatest efforts are being made to carry out also the Volga-Don stage of the Canal, so that when the Germans, having completed their own scheme of canal building, are able to bring their men-of-war into the Black Sea via the Danube, they will find Russian naval squadrons able to protect the northern coast of that sea and the littoral of the Ukraine.

The industrial plans were not fulfilled in their entirety. Discipline and order in the mines and the factories was not maintained, and several attempts were made during the year to instil into the Communist supervisors in the factories greater respect for the authority of the engineers and the business managers.

Late in December a Decree was published which sought, by a system of rewards for diligence and punishments for idling, to improve the general output of the factories. Its effect will only be seen later.

The harshness of Russian life during the year did not experience any noticeable mitigation. The moderating and softening influences inherent in government through a legislative

Assembly did not make themselves felt, as the new Assembly created under the Stalin Constitution of 1937 did not function in 1938. Government was still carried on by decree, terrorism was very indiscriminate and affected several of the highest representatives of the Orthodox Clergy, and severe measures were taken after the discovery that religion had begun to spread among the young, even among the members of the League of Communist Youth. In order to strengthen the regime, especial emphasis was laid on the necessity of re-educating the youth and the intellectual classes of the country in the proper understanding of Communism, and Stalin himself undertook and accomplished the task of writing the History of the Communist Party. At one time during the year there was a tendency among the ruling party groups to adopt a more favourable attitude towards the non-party intellectuals, but that tendency did not develop.

Early in the spring, Soviet ice-breakers and airmen very pluckily saved the scientists who had spent the previous winter on an ice-floe near the North Pole (which they proclaimed Russian territory). The way in which this work was carried out at tremendous risk aroused a wonderful amount of enthusiasm among all classes of the Soviet population, and for a moment it seemed that a warm link of national unity was created, forged as it was by pride in the great achievement of these few Russians. This enthusiasm was soon dissipated in new suspicions and more punishments, for which the expedition itself was made the excuse.

In 1938 the Soviet Union became more isolated from the world than ever before. Intourism almost stopped, hardly any foreigners were admitted into Russia and no Russians were allowed to travel abroad except those few trusted officials who were sent on Government business. Correspondence between Soviet citizens and their friends and relatives in foreign countries almost ceased completely, as in present Russian conditions receiving letters from abroad has become dangerous and certainly a source of unpleasantness.

#### ESTONIA.

The first General Election under the new Constitution was held on February 24. It resulted in an overwhelming victory for the Government, which obtained 55 seats, 8 going to "sympathisers" and 19 to the Opposition. On April 21 the two Chambers and representatives of 120 local governments sitting jointly elected M. Konstantin Paets, who had already been "Head of the State" eight times, State President by 219 votes to 19. At the beginning of May a new Ministry was formed with M. Kareel Eenpalu as Prime Minister. In September the state of emergency was prolonged for one year.

The General Election coincided with the 20th anniversary of Estonian independence, which was celebrated with great enthusiasm throughout the country, as also in Latvia and Lithuania. The occasion was marked by demonstrations of friendship to Great Britain, and tributes were paid to the part played by the British Fleet in securing the independence of the Baltic countries.

At the end of June, the Bishops of Gloucester, Derby, and Fulham spent ten days in Estonia and Latvia to discuss with the heads of the Lutheran Church the question of closer co-operation between that Church and the Church of England, conversations on which had been commenced in London two years before. While in Riga and Tallinn they attended the "Week of Song" festivals, and heard the National Choir of 16,000 singers. Before their departure, a provisional agreement was signed at Tallinn for closer co-operation between the Lutheran Church in the three Baltic States and the Church of England. Bishop Rahamagi, the head of the Lutheran Church in Estonia, stated that the benefit of the agreement was that it gave Estonian and Latvian Lutherans the benefits of the Anglican Church throughout the world where their Church had not and could not hope to have their own pastors.

In the early part of the year some friction arose between Estonia and the Soviet Government on account of frontier incidents, and the sale of all Soviet newspapers was forbidden in Estonia. In May, M. Beck, the Foreign Minister of Poland, paid an official visit to Estonia.

#### LATVIA.

On February 15 the state of martial law which had been in force since the *coup d'état* of 1934 came to an end. The country, however, remained under a semi-dictatorship. In February M. Skujenieks, the Deputy Prime Minister, resigned on account of ill-health, and his place was taken by General Balodis, the War Minister. In June M. Valdmanis was appointed Minister of Finance in place of M. Ekis. In the course of the year, M. Munters, the Foreign Minister, paid visits to Rome, Helsingfors, Stockholm, and London—to the last-named place in order to discuss trade relations between Latvia and Britain—while in July M. Beck, the Polish Foreign Minister, visited Riga.

The half-yearly conference of the Baltic States' entente was held at Riga on June 10-12. The principle of collaboration between the three States was reaffirmed, as also their determination to maintain their neutrality and to avoid entanglement in any ideological conflict. The settlement at Munich was welcomed by M. Munters as demonstrating that nobody really wanted war.

On November 18 Latvia celebrated the 20th anniversary of her independence with a public holiday. Early in the year an internal loan of 34,000,000 lits, which was over-subscribed on the first day, was opened to finance the construction of the Kegums hydro-electric power station on the Daugava (Dvina). Efforts were made in the year to increase the mercantile fleet of Latvia, and by the middle of October the gross tonnage had been brought up to 187,940.

In December a Neutrality Law was passed by which belligerents were forbidden to use any part of Latvia or Latvian waters as a base for military operations.

#### LITHUANIA.

On March 17, following a frontier incident in which a Polish soldier was killed, the Lithuanian Government received from Poland an ultimatum requiring it to establish normal relations without delay in order to avoid the recurrence of such incidents. The Lithuanian Government was not averse to this step in itself, but as one of the conditions was that it should abandon its claim to Vilna, it hesitated. On the advice of the other Baltic States, however, it acceded to the Polish demand, and diplomatic relations were resumed between the two countries after an interruption of nineteen years. Soon after railway, postal and other direct communications between them, which had also been suspended during this period, were resumed. As a result of the Polish ultimatum, the Cabinet of Dr. Tubelis resigned and a new Cabinet with much the same personnel was formed by Father Mironas. Relations between Lithuania and Poland continued to improve, and towards the end of the year the Minister of the Interior dissolved the National Organisation for the Reconquest of Vilna with its 40 branches.

On November 14 Dr. Smetona was re-elected President of the Republic for a third time for a period of seven years, and at the same time Father Mironas reconstructed his Ministry. Towards the end of the year a number of members of the former Christian Democrat Party, including Dr. Bistran, an ex-Prime Minister, and Dr. Karvelis, a former Minister of Finance, were arrested on a charge of plotting to restore to power the ex-Premier Valdemaras, who in 1934 had been sentenced to twelve years' imprisonment but who early in the year had been pardoned by the President on the occasion of the twentieth anniversary of Lithuanian independence, which was celebrated with great festivities.

On the same occasion, most of the German-speaking Memellanders who had been sentenced in the great treason trial of 1935 were pardoned, including the leader, Dr. Neumann. This, however, did not reconcile them to Lithuanian rule, and after

the annexation of Austria to Germany they began to agitate against the Government. On June 28, on the occasion of the visit of a German passenger ship to Memel, a serious clash occurred between the German element and the dock-workers, who were mostly Lithuanian. They demanded the suspension of martial law in the district, and were by no means satisfied when in October the Government decided to introduce instead defence precautionary measures. The Government did its best to appease them, and on October 31 it removed martial law without awaiting the passage of the Defence Precautions Bill. As a further measure of appeasement, on December 7 it announced the appointment of M. Viktor Gailius, a Memellander, as Governor of Memel in succession to M. Kubilius, a Lithuanian, while shortly before M. Lozoraitis, the Foreign Minister, who was not altogether *persona grata* in Germany, resigned, partly, it is true, on grounds of health.

An election for a new Diet in Memel took place on December 11. The German candidates stood this time as National Socialists, with a programme of virtual autonomy. The ballot arrangements were much simpler than in the previous election. The Germans obtained 25 seats with 59,000 votes, and the Lithuanians 4 seats with 9,300 votes. On the night after the results were announced, a big torchlight procession marched past Herr Neumann, while the crowd shouted "We want to return to the Reich."

#### POLAND.

Throughout 1938 the Government continued its endeavours to create a national party which should provide it with a basis of popular support, but with little more success than in the previous year. The O.Z.N., or Polish National Movement, which had been formed for the purpose in 1937, was reconstructed early in the year. On January 10 Colonel Koc, the founder of the movement, resigned, and was succeeded by General Skwarczynski, one of the youngest generals in the Polish Army, who leaned somewhat more to the Left. A reorganisation of the O.Z.N. took place in March, as a consequence of which the more extreme Right-wing elements left the party. Nevertheless, it still failed to make any popular appeal, or to represent more than a comparatively small minority of the people.

The peasants in particular, who formed the bulk of the population, became more and more bitter against the Government. At the annual Congress of the Peasant Party held at Cracow on February 27, the tone of the speeches and resolutions was aggressive and highly critical of the regime, in its handling both of home and foreign affairs. The leader, M. Rataj, declared that the peasants would never give up the struggle for the recovery



of their political rights, and said that Poland could not wait any longer for political freedom and democratic procedure either in local or national government. He stigmatised the National Unity Movement as an artificial creation and said that the peasants were already united.

Two of the most prominent members of the ruling group, the President, M. Moscicki, and M. Kwiatkowski, the Minister of Finance and Deputy Premier, were sympathetic to the demands of the peasants and sought a *rapprochement*. On April 23 M. Kwiatkowski made a speech at Kattowice in which he pleaded for national unity not in the interest of any particular group, and said that he regarded the Government, the composition of Parliament and the present electoral laws as "changeable elements." From his retreat in Switzerland, M. Paderewski, as an ex-Premier of Poland, gave a welcome to the speech as outlining the conditions on which the unity of Poland could be established. He emphasised, however, the necessity of recalling the exiled Peasant leader, M. Witos, if negotiations for unity were to make any real progress. On May 25 the President received some prominent members of the Peasant Party in audience and discussed their grievances. The majority of the ruling group, however, were still against conciliation, and the President's initiative was not followed up, with the result that at the end of August the Executive Committee of the Peasant Party issued a manifesto declaring that they had no right to demand further patience from the peasants or to limit their activity to passing resolutions.

By this time opposition to the Government had developed from the Right also. In May, M. Car, the Marshal of the Diet, died, and he was succeeded by Colonel Slawek, who, as a member of the old "Colonel" group, occupied a position between the O.Z.N. and the National Democrats, and was said to cherish aspirations of succeeding M. Moscicki in the Presidency in 1940. Colonel Slawek in his new position made things so difficult for the Government that they determined to get rid of him, and for this purpose among others the Diet was dissolved on September 14, ostensibly on the ground that it no longer represented the real political feeling of the country. In order to induce the Opposition parties to participate in the election, it was announced that the main task of the new Diet would be to pass a revised electoral law.

The Opposition parties, with the exception of that of Colonel Slawek, decided to boycott the election as a protest against the electoral law of 1935 which was still in force. In spite of this, however, the poll was unexpectedly large—12,000,000, or more than two-thirds of the electorate. The O.Z.N. obtained 161 seats, or four-fifths of the total, the Jews five, the Ukrainians several and the Germans none. Colonel Slawek was defeated

in Warsaw, and in Wilna General Skwarczynski was defeated by General Zeligowski, who earlier in the year had left the O.Z.N. as being too reactionary. The Sejm met for its ordinary session on November 30, when M. Makowski was elected President.

In December the municipal elections were held without any undue influence being exercised by the Government. The results were very different from those for the Sejm. In the large towns the Left parties were in the ascendancy, in former German Poland the Right parties; in no part of the country did the O.Z.N. obtain a majority.

In foreign affairs, the chief event was the renewal of intercourse between Poland and Lithuania, after an interruption of eighteen years. This was brought about not by agreement, but by forcible action on the part of Poland, which was finding the situation intolerable. On March 10 a Polish soldier who had strayed on to Lithuanian territory was killed. Immediately a violent Press campaign flared up in Poland, and the Government—perhaps inspired by Hitler's methods in Austria—determined to bring matters to a head. On March 17—having for once a united nation behind it—the Government presented Lithuania with a forty-eight hour ultimatum demanding the opening of the frontier, the restoration of diplomatic relations, and the abandonment by Lithuania of all claims to Wilna. Polish troops were at the same time massed on the frontier. The acceptance of the terms by Lithuania gave great satisfaction in Poland, partly because it kept Lithuania from falling too much under German influence, partly because it opened up to Poland the use of the Niemen.

Until the crisis in September, relations were strained both with Czechoslovakia and with Germany. In the crisis, Poland sided with Germany, with an eye to her own advantage, and she demanded that the Polish minority in Czechoslovakia should have the same rights as the German. After the Munich settlement, Poland peremptorily demanded the return of the Teschen district, which she had always maintained to belong rightfully to her. The Czechoslovak Government consented, and the occupation began on October 4, and was carried through without incident.

Poland was not slow to realise that the dominant position now obtained by Germany in Czechoslovakia constituted a new and serious danger to herself. It was on this account that during the occupation of the Teschen district the important railway junction of Bohumin had been seized two days earlier than had been planned, in order to prevent the possibility of a German *putsch*. In order further to guard herself against Germany, Poland encouraged Hungary to claim a strip of Ruthenia which would give her a common frontier with Poland, and so block Germany's egress to the south-west. The award of Italy assigning

the district in question to Czechoslovakia, caused great discontent in Poland.

Poland's reply was to draw nearer to Russia. As a result of conversations between M. Litvinov and the Polish Ambassador in Moscow, it was announced on November 27 that the existing Pacts between Poland and Russia, in particular the Non-Aggression Pact of July 25, 1932, offered an adequate basis for pacific relations between the two countries. It was further stated that negotiations for a new Commercial Treaty would open in January.

The Budget for 1938-39 was balanced in February at 2,441,000,000 zlotys (about 93,000,000*l.*), of which the Ministry of War was allotted about one-third. In addition, the Finance Minister announced his intention of laying out about the same sum as in the present fiscal year, *viz.*, 800,000,000 zlotys (about 30,000,000*l.*) on the creation of the new industrial region in Central-Southern Poland. In spite, however, of his efforts and of the efforts of the Minister of Agriculture, M. Poniatowski, who sought to break up the big estates, there was no improvement in the economic condition of the country. Owing partly to the economic position, partly to the anti-Semitic agitation of the extreme Nationalists, the Jewish problem grew still more acute and the Government began to look for a solution in emigration.

#### FREE CITY OF DANZIG.

On January 18 Herr Förster, the Nazi chief in Danzig, declared that the Free City was an important factor in Polish-German relations, and that it was Germany's desire to eliminate anything which might disturb those relations. It seemed, in fact, that Germany and Poland had reached a kind of understanding over Danzig by which the former was to have a free hand politically and the latter economically. Relations, however, became more strained between the Polish and Nazi sections in the city as the year wore on, and the treatment meted out to the Poles caused great indignation in Poland itself. The persecution of the Jews continued unabated, in spite of the fact that an official inquiry addressed in September to members of the various party organisations showed that 72 per cent. of the persons questioned were opposed to the Nuremberg laws.

#### CZECHOSLOVAKIA.

The year opened for Czechoslovakia under the shadow of events in Austria. Never confident that Dr. Schuschnigg would in the last resort be prepared to defend his country by force of arms against invasion, Czechoslovak defence plans had for some

years taken cognisance of the possibility that he would do so. In view of this possibility the four years' work on defence preparations had been concentrated on fortifying the frontiers with Germany, leaving the Austrian frontier protected only by a secondary line of defence. The news of Schuschnigg's visit to Berchtesgaden on February 12 brought home to the Czechs that the long anticipated violent action by Germany against Austria was at hand, and that their turn would come next. These anticipations were confirmed when Herr Hitler in his speech of February 20 referred to 10 million Germans in territory adjacent to the Reich over whom he claimed to exercise protection; the figures obviously referred to six and a half million Austrians and three and a half million Sudeten Germans. Requests made to Berlin for reassurances were without result, and from this moment until the destruction of the Democratic Republic through the terms dictated at Munich, Czechoslovakia's history was one prolonged crisis. From the outset there was no talk of surrender save among a minority of extreme Right Agrarians, and the speed of work on defensive preparations was accelerated to the maximum. The country was confident that France and Russia would be loyal to their alliances, believed that Great Britain was bound to support France, and that the Little Entente would be able to hold off Hungary from joining in any war or threat of war. Despite bad relations with Poland, it was not believed that this country would actually support an attack by her natural enemy, Germany, on her Slav neighbour. Thus there was general confidence, firstly that at the last moment Germany would find the combination against her too strong to start a world war for the sake of the Sudeten areas, and secondly, that if she did so, whatever her sufferings during the war Czechoslovakia would in the end find herself on the side of the victors.

Premier Hodza made a reply to Hitler's speech on March 4, when he told the cheering Chamber of Deputies that Czechoslovakia, if attacked, would defend herself to the very last. Any claim by Germany to protect the Sudeten German minority, he said, was equivalent to interference in Czechoslovak internal affairs. He expressed Czechoslovakia's goodwill to arrive at a peaceful settlement with Germany. On March 13, however, the leader of the Sudeten Germans, Konrad Henlein, told his followers "victory is certain." By virtue of threats that all those Germans who continued any co-operation with the Czechs would be treated as traitors when the day of reckoning came, the Henlein Party now terrorised the German Activist Parties—the Clericals and the Agrarians—into resigning their posts in the Cabinet on March 22, and on March 24, into joining the Henlein Party, thus making the latter the largest individual party in Parliament. The German Social Democrats also left the Cabinet, but their party continued to be loyal to the Government. The

Slovak Autonomist Party—which had the support of about one-third of the Slovak people—seized the opportunity of the State's difficulties to press demands for Slovak autonomy within the framework of the Republic. These demands were put forward in the Chamber on March 29, and were emulated by the Hungarian minority—4·89 per cent.—and by the Poles—0·68 per cent.—of the total population. The Slovaks themselves amounted to 15·68 per cent. of the population. The German minority tried to organise a common minority front against the Czechs, including the Slovaks. But it was never very successful, as each minority disliked the others quite as much as it disliked the Czechs. One of many critical week-ends was that of the Austrian plebiscite on April 10, but there were only minor disturbances in the Sudeten areas. All political demonstrations throughout the country had been prohibited on the German invasion of Austria on March 11, and this prohibition was constantly renewed throughout the year. On April 16 President Benes proclaimed a far-reaching amnesty under which Sudeten Germans, even many of those who had been guilty of high treason, were released. The amnesty was rejected by the Henleinist Press as quite worthless as a conciliatory gesture.

On April 24 Konrad Henlein, in a sharply phrased speech at Karlsbad, proclaimed a series of eight demands as the very minimum which would pacify his followers. This "Karlsbad Programme" became the revolutionary charter of the movement. Firstly he rejected "minority rights" for the Sudeten Germans and demanded that the State be reconstituted so as to lose its "Czechoslovak character" and become a state of "nationalities." He demanded recognition of the "Sudeten Folk Group" as a legal personality, the splitting up of Bohemia and Moravia by a definite language frontier, complete autonomy for the German part, special legal guarantees for Germans living outside it, "reparation for all injustices suffered" by the Sudeten Germans since 1918, the employment only of Germans as state officials in the German areas, and finally, the right for all Germans to live according to the tenets of Nazism. Outside this official programme Henlein further demanded that Czechoslovakia should change her foreign policy, abandon the alliances with France and Russia, and subordinate foreign policy to Germany. The demands were rejected the following day in a semi-official press statement in which the Government declared that it would continue undisturbed by this extravagant programme with its own plans for satisfying justified minority claims. May 1 was another critical day, particularly as the Czech workers resented the prohibition of the usual May Day demonstrations. The Government, however, feared that they would have produced clashes with the Henleinists which would have led inevitably to German protests. Herr Henlein made another defiant speech

on May 1, at Reichenberg, confirming his Karlsbad demands, and saying that they were the very minimum and could not be made the subject of compromise. On May 7 occurred the first of a series of Anglo-French demarches which constantly grew in urgency as the prospects of war came nearer, and demanded surrender of one Czech position after another. Naturally this constant pressure tended not only to discourage Czech readiness for self-defence, but greatly encouraged the Henleinists to raise the price of peace and to support their demands by provoking violence. One result was a series of frontier clashes at the weekend. A statement from Moscow, dated May 10, by M. Kalinin pledging Soviet Russia to support Czechoslovakia if she were the victim of unprovoked attack gave great satisfaction in Prague. On May 13 Henlein paid a sudden visit to London which it was in vain endeavoured to keep secret. The visit was approved by Berlin, and from the fact that on this occasion Henlein saw almost exclusively opponents of the policy of yielding to Hitler, such as Mr. Winston Churchill, it seems that his object was to lull the alertness of this section of British public opinion. In flat contradiction of his statements in Czechoslovakia, he told those he met in London that the Karlsbad programme was a maximum capable of modification.

The general tension was increased in May by the fact that on May 22 the first of three batches of municipal elections throughout the country were to be held. There was reason to believe that the Henleinists, anticipating a big victory—since by the use of threats they had succeeded in absorbing all German parties except the Socialists—would declare that this victory was a vote of the Sudeten Germans for autonomy or even independence, proclaim one of these two and receive armed support from the Reich. Four days before the elections these suspicions were increased by the fact that Konrad Henlein suddenly disappeared from the country and went, it was believed, to confer with Hitler in Berchtesgaden. Information passed on to the Czechs from the British Secret Service did in fact reveal that Germany was concentrating several divisions just behind the frontier in Saxony. On the night of May 20 to May 21, the Czechoslovak Cabinet countered by mobilising all the specialist troops of the reserves, and one year-class. The mobilisation worked with great smoothness and within a few hours the so-called "Magenot line" and other frontier defences had been manned. Next day's elections, which brought the anticipated large majority in the German areas for the Henleinists, passed off peacefully, and after some ten days it was reported that the German troop concentrations had dispersed. The only casualties were two Henleinist motor cyclists who refused on the night of mobilisation to halt when challenged by sentries and were shot dead. The Army had demanded the calling up of five year-classes, but was finally satisfied

with the lower figure on receipt (through the British Ambassador in Berlin) of limited assurances from Von Ribbentrop that there would be no invasion. The Czechoslovak Minister in Berlin was told on May 20, in reply to his inquiry whether the troop concentrations were directed against his country, that this was not the case, but that unless Czechoslovakia changed her policy, Germany would eventually "march to the rescue" of the German Minority. As it was, a total of 400,000 men garrisoned the frontiers. A stream of propaganda poured forth from the radios of the Reich alleging terrorisation of the German Minority by the troops which proved to be entirely without foundation. On May 23, on his return from Germany, Konrad Henlein had a brief interview with Premier Hodza in Prague when he adopted an intransigent attitude, refused even to consider the Government's proposals for a new Nationalities Statute, and demanded immediate demobilisation. This abortive interview was the only direct contact between the Sudeten Nazi leader and the Government. The German radio propaganda concerning illegal frontier violations was countered on May 26 by the publication of an official list of 34 alleged violations of the Czechoslovak frontier by German airplanes. On May 30 three decrees were published establishing military and defence training for the entire population from 6 to 60. Meantime, work continued at high pressure on the Nationalities Bill. On June 5, 70,000 Slovaks demonstrated in Bratislava for autonomy, and on June 6, in the same place, 100,000 listened to Premier Hodza and demonstrated their loyalty to the Government. On June 8 the Henleinist Party presented a list of demands to the Cabinet which were practically a new formulation of the Karlsbad Programme. On June 9 two "British Observers" arrived in Prague to report to the British Government on all "incidents" which might occur between Czechs and Germans. On June 12 the municipal elections were completed throughout the country, the Henleinists securing 90·9 per cent. of the votes cast in the German districts generally although in the industrial areas as many as 10, 20, and 30 per cent. of the votes were cast against them. On June 14 was held the first of a series of conferences in Prague between Henleinist leaders and the Government. During June the Tenth Sokol (Nationalist-Gymnast) Congress in Prague produced great patriotic manifestations for President Dr. Benes and the Government, and demonstrations of international Slav unity.

On July 2 Britain again began to press Czechoslovakia to produce her Nationalities Statute, which as it was designed to revolutionise the whole Constitution was inevitably a slow business. On the same day it was made known that the Government had told the Henleinists that several of their demands were inadmissible, notably that for handing over the full control of the police in the Sudeten areas to the Nazis (which would at

once have meant the installation of storm troopers as police) and withdrawal of the State police, and that for the establishment of a legislative parliament or Volkstag. On the same day also, the Henleinist leader Kundt denounced the Government's proposals for decentralisation and local autonomy. On July 23, following Anglo-German talks in London and assurances given to Herr von Dirksen by Mr. Chamberlain, fresh British pressure was exercised on Prague to produce concessions. The Prague Government was notified that Mr. Chamberlain had decided to send out Lord Runciman as "adviser" (the title was later changed to "conciliator and mediator"). *Pro forma*, he was said to be coming in a private capacity and not as representing the British Government. A statement by Mr. Chamberlain that he had been sent at the request of the Czechoslovak Government was repudiated in Prague, where it was stated that the Czechoslovak Government had simply been notified that Lord Runciman was coming out and had then requested that he should be sent, if he had to come, while negotiations with the Henleinists were still in progress. Before Lord Runciman could arrive the Government published the outlines of its draft Nationalities Statute and summoned Parliament to consider it. The hostility of Germany and Britain to this course, however, resulted in Parliament merely meeting for a formal twenty minutes' session and being adjourned *sine die*; the Nationalities Bill was never put before it. The details published showed that the measure was to provide for full proportionality in state employment for all nationalities, severe penalties for attempts at "de-nationalisation," proportional elections to regional self-governing bodies, proportional allotment of national revenues and educational self-administration for the Minorities. But it did not hand over control of the police to the Nazis, nor did it split up "the historic provinces" (Bohemia and Moravia) by a "language frontier" as the Nazis demanded. The draft which was published was only an outline of general principles as a basis for negotiation in parliamentary committees with the Sudeten representatives. The Henlein Party issued a *communiqué* on July 28, welcoming Mr. Chamberlain's speech on the subject of the Runciman mission as "recognising for the first time Henlein as a bargaining partner on an equal footing with the Czechoslovak Government." Lord Runciman arrived in Prague on August 3, and was immediately introduced at the station to the Henleinist leaders Herr Kundt and Dr. Sebekowsky by the British Minister to Czechoslovakia Mr. Basil Newton. On the following day he paid very brief formal calls on President Benes, Premier Hodza, and Foreign Minister Krofta, and had a long conference with the Sudeten leaders. This curtain-raiser to Lord Runciman's performance in Czechoslovakia was considered in Prague as creating at once such difficulties as might have arisen had the French at the height



of the Irish troubles just before the rebellion of 1916 sent an elderly retired French statesman to negotiate with the British Government and the Irish rebel leaders on an equal footing. The arrival of the Mission gave enormous encouragement to Germany which was exemplified in a great intensification of radio and press propaganda against the Czechs from the Reich which grew steadily more violent throughout the existence of the Mission and within the country by increased intransigence of the Henleinist leaders and tireless endeavours to provoke dangerous "incidents." The only advantage which Czechoslovakia saw in the presence of Lord Runciman was that he could presumably be relied on to fulfil the functions of a mascot by preventing any sudden rain of bombs on the capital. The hopes entertained when the British Government first announced that he would be sent that his Mission would commit Britain to some responsibility for Czechoslovakia's ultimate fate, were promptly dissipated when Mr. Chamberlain subsequently declared that he had gone in a purely private capacity. On August 17 the Henleinist leaders addressed to the Government a 15-page memorandum rejecting outright its proposals for a nationality statute even on a basis on which discussions could proceed. At the same time they refused to continue discussions at all if their "opposite numbers," the representatives of the Czech Coalition Parties, were present, and consented only to meet selected members of the Cabinet. On this as on so many other points, Lord Runciman induced the Government to yield and meetings recommenced. Kundt told the Government openly that their proposals and the Henleinist demands were irreconcilable and threatened that there was a limit to the patience of the Henleinists. On August 18 Lord Runciman met Henlein for the first time at Prince Max von Hohenlohe's castle, Rothenhaus. Subsequently he and his Chief of Staff, Mr. Ashton Gwatkin, frequently met Henlein. On August 19 the Czechoslovak public was intrigued to find a *communiqué* of the Runciman Mission employed as a vehicle to convey to them news of the appointment by Premier Hodza of a number of Henleinists to important administrative posts. The gesture was promptly repulsed by the Nazis. On August 24, following directly on an interview with Henlein, Mr. Ashton Gwatkin flew to London to report to Lord Halifax on the critical position and to submit the Government's latest proposals for granting the Germans "cantonal" self-government which Lord Runciman had sponsored. During Ashton Gwatkin's absence in London the gravity of the situation was much increased, on August 26, by the issue of a proclamation to the Henleinist Nazis from their leader ordering them to "resort to self-defence, to put an end to the provocations of Marxist and irresponsible Czech elements." This coincided with increasing gun-running activities from Germany in the course of which the

Czechs were able to seize numerous consignments of small arms and ammunition. At the same time it became known in Prague that ten days previously General Goering had told the French Ambassador in Berlin, M. Francois Poncet, that he had definite assurances from Britain that in the event of armed conflict between Germany and Czechoslovakia, "Britain would not lift a finger." It further became known that Germany had formally approached Moscow, Bucharest, and Belgrade, asking for assurances of neutrality in the event of such a conflict. (Paris was not approached.) Moscow had replied sharply that any attack on Prague would be treated as a *casus belli*. The exact reply of the other capitals was not made known in Prague, but they were in any case not bound to support Czechoslovakia against a German attack unless Hungary participated. Rumania's loyalty in this event was assured, that of Yugoslavia probable. On Mr. Ashton Gwatkin's return from London, Lord Runciman saw Henlein, remonstrated with him on the "self-defence" proclamation and informed him of President Benes' "cantonal self-government proposals" of which Lord Halifax had approved. Appreciating that Henlein was no more than the Führer's messenger boy, Runciman urged him to carry these proposals to Berchtesgaden which Henlein did, seeing Hitler on September 1 and September 2. These tactics further encouraged Herr Hitler who decided on a "show-down" and stirred up the German Press and radio and the Henleinists to even greater extravagances. On September 2 President Benes received in audience the Henleinist deputies Kundt and Sebekowsky in order formally to put the cantonal proposals before them. These were so generous that it would have been difficult even for Nazi discipline to have persuaded the Henleinist rank and file that their leaders were right to reject them, so that an excuse for interrupting negotiations had to be found at once. On September 8 the Henleinists staged a demonstration outside Mährisch-Ostrau prison to demand the release of a number of their followers who had been caught red-handed gun-running and engaging in other treasonable activities. In the course of the demonstration a Henleinist leader who had seized the bridle of a mounted policeman was struck a glancing blow on the shoulder with his riding whip. This was made the excuse of a formal breaking off of all negotiations over this generous Government offer which included a loan of 700 million Czech crowns to industry in the German areas, the granting of local police autonomy, while the State police were to be retained with limited functions (later the Government was even willing to give way in the vital matter of the State police, although this meant handing over of democratic Germans and Jews to the mercy of Nazi Storm Troopers), absolute language equality and full cantonal self-Government.

The night of the breaking off of negotiations, riots and disorders

were started by the Henleinists in many parts of the German areas, and in some places police and frontier posts attacked. On September 10 Benes broadcast an eloquent appeal for peace. Press and public opinion hardened against the slightest further concession to the Henleinists. On September 11 Lord Runciman was hailed at a big Henleinist demonstration outside Petrohrad castle where he was staying with a Sudeten German aristocrat as "the liberator of the Sudeten Germans." The same day there was a renewal of violent demonstrations in favour of annexation by Germany organised by the secret Storm Troop formations in many parts of the country. Next day the Nuremberg speech of Hitler, in which he called President Benes a liar and demanded "self-determination" for the Sudeten area, promising support of the full powers of the Reich, was the signal for a Henleinist rebellion. In scores of towns bombs were detonated, public buildings stormed, the police attacked and Czech and Jewish premises wrecked and looted. Twelve persons were killed; by the following evening the roll of dead had risen to twenty-three. Without on this occasion consulting Lord Runciman, the Government proclaimed martial law in a number of areas, and on this, which was coupled with the arrival of police reinforcements, the rebellion completely collapsed. At the last moment the anticipated Reichswehr invasion in support had failed to materialise, presumably because of an apparent stiffening of the British and French attitude, which occurred, however, too late for the revolt itself to be postponed. The Runciman Mission was rebuffed by Konrad Henlein who told the members of it who waited on him at his headquarters in Asch that the "Karlsbad Programme" had been superseded by the Hitler speech. That night Henlein fled the country, and on September 15 he raised—from the security of German soil—the standard of revolt. He broadcast a "proclamation" openly demanding the annexation of the Sudeten areas by the Reich. On September 18 a "state of emergency" was proclaimed. Demands which had been privately put forward by Lord Runciman in accordance with instructions from London that a plebiscite be held in the Sudeten areas alone to settle whether Czechoslovakia was to lose these areas and with them her almost impregnable frontier defences were rejected by Premier Hodza in a broadcast speech on September 18. On September 21 Prague replied to the "Berchtesgaden Proposals" of Great Britain and France, expressing inability to accept them as they stood and asking for arbitration by The Hague Court under the Treaty of Arbitration between Czechoslovakia and Germany, designed for just such a case, the validity of which General Goering had confirmed only five months before. Lord Runciman had returned to London from Prague on September 16, and as his report revealed later, had made some curious recommendations. He had urged the withdrawal of the Czech police from the Sudeten

areas at once, which would have left the non-Nazi population entirely at the mercy of the Henleinists whom at the same time Lord Runciman blamed as responsible for the disorders. He also recommended the immediate surrender of the Sudeten areas to Germany without plebiscite, and local autonomy for the small German minority which was to remain in "rump Czechoslovakia" without any corresponding protection for the far larger Czech minority to be handed over to Germany, despite her black record for ferocious ill-treatment of every opponent or minority as compared with Czechoslovakia's record of having given her minorities for twenty years treatment better than was accorded to any other minority in Europe. His recommendations further amounted to demands for Czechoslovakia being forced to abolish political liberties, suppress free speech and a free Press, drop her protecting alliances with France and Russia and enter the German economic system. Instructions were sent from London on the basis of this report to the British Minister in Prague, which together with his French colleague he proceeded to carry out, going to the Prague Hradschin at 2.15 a.m. on September 21 to see President Benes. The message conveyed to President Benes was that Czechoslovakia must unconditionally accept the Berchtesgaden Plan or stand revealed to the world as solely responsible for the ensuing invasion by Germany. President Benes was told that such refusal would destroy Anglo-French solidarity because, under no conditions would Great Britain lift a finger, even if France were to go to Czechoslovakia's help. Finally, M. de Lacroix, the French Minister, had the awkward duty of telling M. Benes that in the event of war, France, despite the repeated assurances of M. Daladier and other Ministers to the contrary, would not fulfil her treaty obligations but would leave Czechoslovakia in the lurch. President Benes asked for the threat to be put in writing but was told that this was impracticable and that he must give an immediate answer as Mr. Chamberlain was in a hurry to leave for Godesberg. President Benes was also warned that the German invasion would be accompanied by invasions from Poland and Hungary. Two Cabinet Councils met during the night, and in the morning it was decided that, thus abandoned by friends and allies, Czechoslovakia could not face invasion on three fronts and must surrender to the demand to hand over without war the fruits of victory to Germany. The news provoked great public bitterness and anger in Prague on its becoming known on September 22. There were angry demonstrations in the streets against what was called "the Surrender Government" that evening, throughout the night and the following morning, when the Government resigned, to be replaced by a Cabinet of General Syrowy. Meantime, the news of the surrender had inevitably produced a new revolt of the Henleinists which the broken and falling Government did little to check. Many Czechs,

democratic Germans and Jews were killed, wounded, or kidnapped to Germany along the frontier areas. The revolt was put down with very slight loss of life by the new Syrowy Government within twenty-four hours. On September 4, following Mr. Chamberlain's return from Godesberg, the British and French Ministers notified President Benes at 5 p.m. that their Governments could not maintain their previous ban on Czechoslovak mobilisation and self-defence measures, and within two hours General Mobilisation had been ordered, full war conditions instituted and the Czechoslovak people had begun to stream eagerly to the colours to meet the anticipated German onslaught. It was only when it was found that Germany made no attempt to interfere with mobilisation and the garrisoning of the frontiers by the long-expected air-raids on mobilisation key-points that Czechoslovak statesmen began to wonder whether the apparent breakdown at Godesberg between Mr. Chamberlain and Herr Hitler was anything more than a technical pause in a scheme which was to ensure Germany possession of the Sudeten areas without war. The nation at large, however, was now calmly confident that it could face the German onrush, sure of the immediate support of treaty allies and the sympathy and ultimate support of Great Britain. The news that Mr. Chamberlain was going to Munich on a third visit to Herr Hitler, however, dashed to the ground all hopes of British support and plunged the nation into gloomy anxiety, deepened by the British Premier's reference to the Czechoslovak-German crisis as a far-away dispute about matters of which they knew little. The Czechoslovak delegates sent to Munich on September 29 were refused a hearing, and only called in to be handed by the British a copy of the document partitioning their country. In answer to their request to be allowed to make some observations, the Czechoslovak delegates were told that they could spare themselves the trouble as the matter was settled. At 6.30 a.m. on September 30 the British Chargé d'Affaires in Prague handed the dictated terms to M. Krofta who was subsequently told by the British Minister that Mr. Chamberlain required the Czechoslovak reply by midday; the German troops were to begin the occupation that same night. "Under protest to the world" Czechoslovak submission to the dictation was broadcast to the nation by General Syrowy at 5 p.m. on September 30. A terrible panic set in amongst the German democrats, Jews, and Czechs in the Sudeten areas; many were stopped and turned back by various local Czechoslovak authorities, fearful of the consequences of harbouring so many derelict victims fleeing from Germany's wrath. A reign of terror set in throughout the evacuated areas similar to that which marked the invasion of Austria, wherein the Reichswehr once again took no part. The evacuation and occupation by Germany were completed by October 10, save for minor adjustments

subsequently made almost entirely in Germany's favour. Of the 3,850,000 people ceded to Germany inhabiting 38·4 per cent. of the total area of the country, nearly 850,000 were Czechs. On October 2 Polish troops marched into the valuable Teschen coal areas which had to be ceded by Czechoslovakia. On October 5 President Benes announced his resignation in a broadcast farewell to the nation, and on October 22 he left for exile in England. His successor, Dr. Emil Hacha, was elected on November 30.

The resignation of Benes—together with that of the Government of National Concentration of General Syrowy on October 4—marked the end of the democratic Republic of Czechoslovakia—"the First Republic." The new Government formed by General Syrowy was only transitional and included a certain number of Right-wing Agrarians acceptable to Germany. There was an immediate danger that the Republic would split up, and on October 10 Father Tiso, one of the joint successors to Father Hlinka in the joint leadership of the Autonomist Party, was appointed Minister for Slovakia and invited to form an Autonomist Government. M. Brody was appointed first Premier of Autonomous Ruthenia on October 12. There ensued a period of something like anarchy in the Republic, the Slovaks acting in complete independence of Prague and sustaining at the same time constant invasion by Hungarian terrorists. Intermittent fighting with these and with Polish terrorists continued in Slovakia and Ruthenia for several months in the course of Hungarian-Polish efforts to establish a common frontier by partitioning Ruthenia between them, in order to avoid its being used by Germany as a basis for her designs against the Polish and Soviet Russian Ukraine. While in the Czech provinces progress was extremely slow and reluctant towards satisfying Germany's demands in respect of a dictatorial system, anti-Semitism and persecution of the Left, in Slovakia these developments came rapidly. The Army, whose enthusiasm to fight in the defence of the country before Munich was so great that only its high standard of discipline enabled the officers to secure the necessary withdrawal before the advancing Germans, was largely demoralised by the betrayal of all its hopes at Munich and could with difficulty be brought to defend some parts of the frontier against the Hungarian invaders, the more so as the Slovak Government showed increasing hostility to the Czechs, including the Czech soldiers who were helping to defend its frontier. Pressure on the Central Government in Prague was unceasing, and in accordance with Germany's insistence, the activities of the Communist Party were suspended on October 20. On October 26 the recently appointed Premier of Autonomous Ruthenia, M. Brody, was removed from office and arrested for having endeavoured to betray the country to Hungary. During October and November the existing parties in Parliament—with the

exception of the Communist Party which was dissolved—were gradually fused into the only two that were to be permitted under the new “authoritarian democracy.” One, the Party of National Unity, was officially made the “Party of Government,” controlled by the Right-wing Agrarians, and the other, the Party of National Work (formed from Liberals and the moderate Left) was designed as a nominal opposition with the duty of supporting the Government.

Frontier negotiations between Czechoslovakia and Hungary at Komarno broke down after a few days on October 12, and war seemed very near. On November 2 Germany and Italy, invited by both countries, fixed the new frontiers by the Vienna Award, which inflicted severe losses on Slovakia and Ruthenia, including the loss of the capital of the latter, Uzhorod, and the important towns of Kosice and Mukacevo, but satisfied neither party. On November 21 it was announced that Czechoslovakia had ceded to Germany a corridor through the heart of the country, which she would use to build a motor road connecting Breslau with Vienna. Jurisdiction over this road was given to Germany.

On November 25 there was an invasion of Ruthenian territory by Polish forces in the course of the adjustment of the new frontier which threatened for a time to develop into serious hostilities. On December 1 a new Right-wing Central Government consisting largely of the sharpest opponents of ex-President Benes and Dr. Hodza, and of the policy of alliance with the West and Soviet Russia, was formed largely from the Right-wing of the Agrarian Party, under the party's chairman, M. Rudolf Beran. General Syrowy was retained as Minister of War. On December 13 the Premier announced a programme which included action against the Jews and the eventual deportation of all non-Czech refugees, including those from the Sudeten areas, control of Press, film, and broadcasting, and the revision of school text-books. An Enabling Bill was introduced authorising the Government to rule by decree, and the President to alter the Constitution as he saw fit, with the approval of the Government. The Bill was passed on December 14. On December 18, “elections” on Fascist lines with only one party allowed to put forward candidates—the (Government) Autonomist, or Hlinka Party—were held in Slovakia for that country's first Diet. Czechs and Jews had to cast their ballots in separate boxes and a great deal of the voting was open. It gave the Government over 98 per cent. of the votes cast.

The year closed with the whole Republic still in a state of considerable uncertainty, disunity, and anxiety. The worst of the anarchaic conditions produced by Munich had begun to pass, but nothing had been done to implement the promise of Britain and France to guarantee the frontiers which was the first essential to producing that real neutrality which had now become the little country's only wish.

## HUNGARY.

Through her friendship with Italy and Germany—especially the latter—Hungary was able in 1938 to raise herself to a level with the countries of the Little Entente and to rectify some of the most galling provisions of the Treaty of Trianon. But the expansion of the Third Reich brought her into a state of semi-vassalage to that country, and at the end of the year she found it hard to say if her new condition was any more satisfactory than the old.

The Premier, Dr. Darányi, in a New Year broadcast, laid stress on the necessity for a new social policy involving an increased number of small holdings and a more just distribution of land. In a speech at Győr, however, on March 5, at which he outlined his policy, he said little on this subject, and laid more stress on the importance of settling the Jewish question and of rearmament.

Shortly after this speech (March 9), Dr. Darányi rearranged his Cabinet, handing over the Ministry of Agriculture, which he had himself held hitherto, to Dr. Marschall, and taking into the Ministry Dr. Imrédy, the President of the National Bank. The effect of these and other changes was to give the Cabinet a somewhat more reactionary complexion.

The first act of the new Ministry was to introduce into Parliament the Electoral Reform Bill which had been made public at the end of the last year (*vide* ANNUAL REGISTER, 1937, p. 207). The main feature of the Bill was secret ballot with a rather restricted franchise, and it was adopted after a number of animated debates.

On April 8 Dr. Mikecz, the new Minister of Justice, introduced a Bill for restricting the number of Jews in the professions and in commerce. Jews were henceforth to form not more than 20 per cent. of the members of the journalistic, theatrical, legal, medical, and engineering professions, or of managers and directors of business concerns. War-invalids, men with war service and Jews who had been converted to Christianity before 1919 were not to be counted in the percentage. Seeing that in 1930 Jews had formed 49 per cent. of all advocates, 54 per cent. of the doctors practising in Budapest, and 67 per cent. of those in private practice outside, 36 per cent. of the engineers in Budapest and 30 per cent. outside, and 51 per cent. of those engaged in trade and commerce, the curtailment was rather drastic—much more so than had been expected. The anti-Jewish agitation owed its origin to the fact that the middle classes, which before the war had despised trade and even the professions, and had left them to the Jews, were now seeking to enter them, but undoubtedly it had been accentuated by Nazi example and propaganda, and there was much truth in the remark of one



critic that the Bill was stamped "Made in Germany." The Bill was denounced by various party leaders as anti-democratic, anti-Christian, and likely to cause economic dislocation, but the Government out of subservience to Germany persisted with it.

On May 13 Dr. Darányi resigned, giving way to Dr. Imrédy. The chief change made by the new Premier in the Cabinet was to replace Dr. Homan, a strong Naziphil, with Count Paul Teleki, a close associate of Count Bethlen, as Minister of Education. The new Cabinet was regarded as strongly Conservative and Nationalist.

At a conference of the Rome Protocol Powers—Austria, Hungary, and Italy—held in Budapest on January 8-12, Hungary consented to recognise General Franco, but refused to comply with Italy's request that she should join the anti-Comintern Pact or leave the League of Nations. The German occupation of Austria was a great blow to Hungary, which felt that she had lost a real friend, but Government and people bowed to the inevitable and determined to make the best terms possible with their new neighbour, and to follow as far as possible a policy of strict neutrality. On August 21 the Regent, Admiral Horthy, accompanied by the Prime Minister and the Foreign Minister, M. Kánya, paid a State visit to Germany, where he was received with great honours. At a State banquet Herr Hitler declared that Germany and Hungary as neighbours had established final historical frontiers. A month previously the Prime Minister and Foreign Minister had visited Rome and there renewed the Rome Protocol as far as concerned Hungary and Italy.

The negotiations commenced at the end of 1937 for a new understanding between Hungary and the Little Entente (*vide* ANNUAL REGISTER, 1937, p. 207) languished during the early part of the year, but were revived as a consequence of the Minorities Statute issued by the King of Rumania at the beginning of August, and were soon brought to a successful termination. At the Little Entente Conference at Bled in Slovenia on August 21 and 22, a Non-Aggression Pact was concluded with Hungary based on "the mutual renunciation of all recourse to force on the one hand, and on the other recognition by the three allies of Hungary's equality of right in the matter of rearmament." Thus one of Hungary's long-standing grievances was at length removed.

During the crisis in the Sudetenland in August, Hungary insisted that whatever privileges were granted to the Sudeten Germans should be granted also to the Hungarian minority—numbering over 700,000—in Slovakia. When the Poles occupied Teschen, a demand was raised that Hungary should march into Slovakia and seize the Magyar districts, but the Government pointed out that this might lead to action on the part of Rumania and Yugoslavia, and it therefore preferred more peaceful methods.

Negotiations with Slovak delegates—to whom the Prague Government had left the task—opened at Komarno on the Danube on October 9. At first the Slovaks were inclined to concede only very little, but when more classes of the Hungarian Army were called up and Hungarian envoys went to Munich and Rome they became more accommodating, and on October 23 offered to restore all the Magyar districts with the exception of five towns—Bratislava, Nitra, Kosice, Uzhorod, and Mukacevo (Munkacs). After some further wrangling the matter was referred to the arbitration of Germany and Italy, which finally assigned to Hungary all the towns in dispute save Bratislava, Nitra, and Szöllös in Ruthenia. This meant a recovery by Hungary of 12,400 sq. km., with a population in 1930 of 1,064,000. The new frontier was drawn with complete disregard of economic considerations, and in some of the towns ceded business was completely dislocated. Nevertheless, the award was greeted with frantic enthusiasm in Hungary, and the Premier expressed his public thanks to Herr Hitler and Signor Mussolini. The Magyar Senators and Deputies of Slovakia were invited for the time being to take their seats in the present Parliament.

While she was treating with Slovakia, Hungary was strongly urged by Poland to seize a strip of Ruthenia, so as to acquire a common frontier with Poland, and thus form a barrier against German advance to the south-east. There was also a strong popular agitation in favour of the annexation. In view, however, of the opposition of Germany, the Government did not deem it prudent to take this step.

The Magyars who came back to Hungary from Slovakia had witnessed the benefits of land reform in the latter country and were eager to see it applied in their homeland. Their presence fomented the discontent already felt with the Government for its dilatoriness in dealing with the matter, and on November 15 Dr. Imrédy found it advisable to reconstruct his Cabinet, getting rid of his Ministers of Agriculture, Industry, Justice, and War. A party speech which he made at the same time failed to allay the discontent, and on November 23 sixty-three Deputies, including eight ex-Ministers, seceded from the Government Party. Immediately afterwards, in a stormy sitting, the Government was defeated by 115 votes to 94 and resigned. After a crisis lasting several days, Dr. Imrédy at the request of the Regent resumed office, and calm was restored for the time being. M. Kánya, the Foreign Minister, resigned, and was succeeded by Count John Csaky.

This year being the 900th anniversary of the death of St. Stephen, the first King of Hungary, the Eucharistic Congress, which was held at Budapest in the last week of May, was on a particularly imposing scale, being attended by Cardinal Pacelli, the Papal Secretary of State, Cardinals from Poland, France,

England, the United States, Czechoslovakia, and Italy, 72 Archbishops and a large number of high dignitaries, and over 100,000 foreigners. Its success, however, was somewhat marred by the veto placed by the Reich Government on German and Austrian pilgrims. August 20th, the date of St. Stephen's death, was celebrated with great fervour in Hungary, and on the day before the Regent presided over a joint session of the two Houses of Parliament in the courtyard of the Town Hall of Székésfehérvár, where St. Stephen died and was buried.

On April 8 the Finance Minister announced the details of a ten-year plan involving the expenditure of one milliard of pengős. Six millions were to be for defence, 190 millions for new roads and railways, 96 millions for new rolling stock, etc., 12 millions for the Danube, 50 millions for arterial roads, 30 millions for the final regulation of private roads, 2 millions to complete the Danubian port of Csepel, 20 millions for postal requirements, 36 millions for irrigation, 36 millions for hygiene, and 75 millions for agricultural credit. The Budget for 1938-39 showed expenditure 1,334.9 million pengő against 1,335 million pengő revenue, thus showing a surplus for the first time since 1931. Hungary's export trade had in 1937 been 589 million, against 564 million in 1936 and 335 million in 1932.

#### RUMANIA.

The Cabinet formed by M. Goga at the end of 1937 proved, as had been expected, to be totally lacking in stability. It failed to secure any popular support, and its anti-Jewish policy called forth strong protests from the British and French Governments, besides causing economic dislocation in the country. On January 18 M. Goga dissolved the newly-elected Parliament before it had met, and ordered new elections to be held on March 2 and 7. It soon became apparent that the Government would command no greater support in the new Parliament than in the old, and accordingly—on a hint from the King, whose purpose it had by now served—it resigned on February 10.

The King thereupon, on his own initiative, assumed practically dictatorial powers. First, at his request, Dr. Miron Cristea, the Patriarch of Rumania, formed a Provisional Concentration Government containing besides the usual members of the Cabinet, six ex-Premiers as State Secretaries or Ministers without Portfolio. Then, on the next day, after calling on his Ministers to help him "in the great work of national re-awakening, reconstruction, and the salvation of the country," the King issued a proclamation in which, after referring to the unrest caused by the agitations carried on at election times, he continued: "Rumania must be saved, and I am resolved to save her. I shall change this dangerous state of affairs. I have formed

a Government of responsible men who, relieved of party activities, will be free to give all their attention to public affairs." Martial law was enforced throughout Rumania as from February 11, and on the 17th a decree was issued forbidding the formation of political groups or cells, marching in formation, and the singing of political songs. Finally, on February 20 the King proclaimed a new Constitution, designed "to place the State on a more solid and just basis." By this Constitution, a kind of corporative system was substituted for the electoral system of Parliamentary representation. The King acquired the right to declare war and make peace; to conclude treaties; and to issue decrees having the full validity of laws while Parliament was dissolved or in recess, such decrees, however, requiring to be ratified by Parliament. Equal rights were granted to all minorities, and Rumanian subjects were promised liberty of conscience, work, Press, assembly and association. On February 24 the new Constitution was submitted to a plebiscite, in which voting was compulsory and not secret. More than four million voted for and 5,483 against; members of the National Peasant Party and of the former "All-for-the-Fatherland" Party abstained from voting.

On March 30 Dr. Cristea resigned and formed a new Cabinet with M. Petrescu-Comnen as Minister for Foreign Affairs. At the same time the King appointed a permanent Crown Council to be presided over by himself. The first members were Dr. Cristea, Marshals Prezan and Averescu, General Vaitoianu, Dr. Vaida-Voevod, Professor Jorga, Dr. Angelescu, M. Mironescu, and General Baleff. A Supreme Economic Council was also formed. On April 14 laws were promulgated dissolving political parties and associations and making their formation illegal, and on April 15 a decree law was published forbidding foreigners from owning any periodical in Rumania or from occupying any important position on the staff of any Rumanian journal, and Rumanian papers and periodicals—many of which were highly venal—were forbidden to receive any money from foreigners except for subscriptions and advertisements.

On March 10 regulations were issued with the object of excluding from Rumanian citizenship all Jews—reported to number about 250,000—who had become naturalised by false pretences. Otherwise there was no anti-Jewish legislation. On August 4 a Nationalities Statute was proclaimed granting the same rights to all citizens without distinction of origin, religion, or language. State employment was thrown open to all, and the racial minorities were accorded the right to use their own language in and to administer their own educational, religious, and cultural institutions, under State supervision. A General Commissioner for minorities with Ministerial rank was appointed to supervise the application of the Statute. The chief minorities affected

were the Magyars numbering over a million, the Jews numbering nearly a million, and the Germans numbering about 600,000.

Throughout the year, especially after M. Calinescu became Minister of the Interior in April, the Government made great efforts to stamp out the "Iron Guard" party, which though nominally dissolved was still regarded as constituting a serious threat to peace and order. On February 21, immediately after the promulgation of the new Constitution, M. Codreanu disbanded the "All-for-the-Fatherland" Party, as the "Iron Guard" was now called, and absolved his followers from their oath of allegiance, stating that he refused to be provoked into violent measures as a result of the recent decrees. On April 17, however, nearly 200 persons, including M. Codreanu himself, were arrested in consequence of the discovery of an "Iron Guard" plot to overthrow the Government, and on May 27 M. Codreanu was sentenced to ten years' imprisonment by the Bucharest Military Court, while on June 28 eighteen other prominent members of the "Iron Guard" were sentenced by court martial to periods of one to seven years' imprisonment. At the end of September more than 200 members of the "Iron Guard" were arrested in Moldavia. In November there was a recrudescence of "Iron Guard" outrages, and on November 29 many members of the association were arrested, and General Antonescu was dismissed from the command of the Third Army Corps on account of his connexion with the movement. On November 30 M. Codreanu and thirteen other "Iron Guards" were shot while trying to escape from custody, and the same fate befell a number of others on December 3. On December 7, 300 "Iron Guards" in custody at Valsavi issued a declaration renouncing participation in the movement and proclaiming loyalty to the Government.

Rumania took part in the meeting of the Balkan Entente which at Salonica on July 31 recognised the equal status of Bulgaria in the matter of armaments, and also in the conference of the Little Entente at Bled which on August 23 made a preliminary agreement with Hungary recognising her right to equality in armaments. On December 26 M. Grigoire Gafencu, on succeeding M. Comnen as Foreign Minister, sent a message of good will to Count Csaky, the Hungarian Foreign Minister, the first instance of such an act since the war. In the conflict between Germany and Czechoslovakia, Rumania sided unequivocally with the latter country. She showed herself ready to allow the passage of Russian troops for the aid of Czechoslovakia, should need arise, and opposed both the Polish occupation of Teschen and the design for a common Polish-Hungarian frontier in Carpatho-Russia. In November, King Carol accompanied by the Crown Prince Michael paid an official visit to England, returning via Germany. No political results seem to have followed the tour.

The Budget for 1938-39 approved by the Cabinet in April provided for an expenditure of 28,650 million lei, three thousand million more than in the previous year. The increase was necessitated chiefly by the restoration, as from December 1, 1937, of the salaries and pensions of State officials to the level of 1932, representing an increase of 10-12 per cent. In the summer, the Government advanced 400 million lei at  $2\frac{1}{2}$  per cent. to the National Co-operative Institute to assist in financing the grain harvest, which was very good, the amount of wheat available for export being estimated at 1,500,000 tons. The National Bank at the same time advanced a credit of 1,000 million lei to the Co-operative Credit Societies to enable them to grant loans to farmers for the purchase of machinery, tools, and livestock and the erection and repair of farm buildings. On September 2 a new Anglo-Rumanian Payments Agreement was signed providing for an increasing amount of Rumanian exports to England and of imports of British goods to Rumania. It was reported in November that 600,000 tons of wheat had been sold to British firms. On December 10, after a visit from a German delegation led by Dr. Funk, four trade agreements with Germany were signed, one of which provided that goods exchanged between the two countries should be of equal value—hitherto the balance had been largely adverse to Rumania—while another provided for the supply to Germany of 25 per cent. of Rumania's exports of oil, 40,000 truck loads of wheat, and 25,000 truck loads of maize. By an agreement signed on December 15 Germany undertook to take goods to the value of 1,000,000,000 lei (about 1,538,000*l.*), of which 25 per cent. should consist of oil or oil produce. The value of the mark was fixed at 41.5 lei.

The Budget provided for an increase of 4,000 million lei (about 5,500,000*l.*) in the fund for national defence. On September 14 the Cabinet decided to place under military control all industries connected with national defence. In October General Ciuperea was appointed Minister of Defence in succession to General Argesheanu, and General Iacobici was made Minister of the newly-created Department of Army Supply in order to quicken the pace of rearmament.

#### YUGOSLAVIA.

Throughout 1938 Dr. Stoyadinovitch, in spite of increasing unpopularity, remained in control of the Government, being supported by a majority in the Skuptschina and also by the Regent, Prince Paul. For most of the year his attention was chiefly occupied with foreign affairs, in which he made it his object to keep on good terms with the totalitarian States without

estranging France and Great Britain. For this he was denounced as pro-fascist by the mass of the population, which was bitterly hostile both to Germany and to Italy. In the middle of January he paid a visit to Germany, where he was given a very flattering reception. After the Anschluss he suggested that had Herr Schuschnigg observed the agreement of July 11, 1936, Austrian independence might have been preserved, and he informed Parliament that Germany had given renewed assurances that it would respect the absolute inviolability of the Yugoslav frontier towards the Reich. When Germany threatened to invade Czechoslovakia in September, he declared that Yugoslav obligations under the Little Entente related to Hungary only and not to Germany.

Believing as he did that little reliance was to be placed on the Western democracies, M. Stoyadinovitch sought for allies to the east and south in the Balkan Entente. He took an active part in paving the way for the Convention signed at Salonica on July 31 by which Bulgaria obtained equality of status in regard to armament. On October 31 M. Stoyadinovitch met the Bulgarian Premier at Nish and exchanged cordial toasts in favour of a fraternal entente between Yugoslavia and Bulgaria. In furtherance of the same policy, Prince Paul paid a visit to King Carol of Rumania in November.

In home affairs also, the main concern of M. Stoyadinovitch was to maintain the *status quo* and especially to resist the Opposition demands for Croat autonomy and a return to democratic government. The union between the Croats and the Opposition Serbs, which had been embodied in the agreement made in October, 1937, was greatly strengthened by a visit which the Croat leader, Dr. Matchek, paid to Belgrade in July, accompanied by his chief lieutenants. He was met by the leaders of all the old Serbian parties and conferred with delegates from every part of Serbia proper. No such example of Serb-Croat fraternisation had been seen since the war. Dr. Matchek had a great reception from the Belgrade public, and on his journey back was greeted by crowds at every station. Soon after negotiations were again opened between the Premier and Dr. Matchek.

On account of popular discontent with the Munich settlement, the Regent dissolved the Skuptshina and ordered new elections to be held on December 11. The election was in the main a straight fight between the Yugoslav Radical Union, M. Stoyadinovitch's party, and the United Opposition, consisting of the Croat Democratic Peasant Coalition, under MM. Matchek and Pribitchevitch, and the three pre-dictatorship Serbian parties (Radical, Democrat, and Agrarian), under MM. Stanoyevitch, Davidovitch, and Jovanovitch, on the basis of the Agreement of October 8, 1937. In the course of the campaign, Dr. Matchek made an electoral pact with the followers of General Zivkovitch

and M. Jevtitch, who opposed M. Stoyadinovitch from the Right, a step which alienated many of his supporters.

The election brought about very little change in the composition of the Skuptschina. M. Stoyadinovitch obtained 1,636,000 votes with 300 seats, compared with 1,748,000 votes and 303 seats obtained by M. Jevtitch in 1935; while Dr. Matchek obtained 1,336,000 votes and 70 seats compared with 1,175,000 votes and 67 seats in 1935. Nevertheless, the Croat leader professed to be highly satisfied, as he now had a thoroughly united party behind him, while the Premier had obtained his majority only by means of very dubious electoral methods, especially by bringing pressure to bear on Government officials. The "Yugoslav National Party" of General Zivkovitch was practically wiped out, its leaders failing to secure a single seat.

The first step of the Premier after the election was to drop his most influential colleague, Father Koroshetz, the Minister of the Interior, who was an equally determined opponent both of Croat independence and of Nazism. His place was taken by M. Acimobitch, the Police Prefect of Belgrade—a change which pointed to a further centralisation of power in the hands of M. Stoyadinovitch. At the same time a few other changes of minor importance were made in the Cabinet. One of the Prime Minister's first steps after reconstituting his Ministry was—in accordance with a pledge made by him during the election—to send the Minister of Health, Dr. Cvetkovitch, on a special mission to Zagreb to see if negotiations were now possible with the Croat leader.

Yugoslav exports declined considerably in 1938—to Germany, her largest customer, owing to payment difficulties, and to cash-paying countries like England and Holland, owing to the high level of internal prices. In October, agreements were made with Germany stabilising the exchange at between 14·30 and 14·70 dinars to the mark, and laying down that Yugoslav exports to Germany should not exceed imports.

On February 10 the Government at length formally abandoned the Concordat which had caused such an outcry in the previous year (*vide* ANNUAL REGISTER, 1937, p. 213), and immediately afterwards the Episcopal Council withdrew the excommunication against the Ministers. The campaign against the Concordat had been accompanied by much abuse of the Catholic Church, which drew forth a dignified protest from the Archbishop of Zagreb, Mgr. Stepinac, though at same time he deprecated public meetings of protest as being inopportune. On February 24 Mgr. Gavriilo Dozic, Metropolitan of Montenegro, was elected Patriarch.



## TURKEY.

The fifteenth year of the Turkish Republic was marked by the death of its illustrious and able founder, President Kemal Atatürk, who was lying ill in Istanbul at the time of the anniversary celebrations (October 29) and died on November 10 [see Obituaries]. Evidence of the strength of the Republic's foundations that he had laid and of the soundness of the policy that he had inaugurated was supplied in the smoothness with which the Constitution worked when on November 11 General Ismet İnönü, the former Prime Minister and close collaborator of Atatürk, was elected President of the Republic in his stead. The Cabinet resigned the following day, and was reconstructed under the same Prime Minister, M. Jelal Bayar, the only notable change being the appointment of the former Minister of Justice, M. Shukri Sarajoglu, as Minister of Foreign Affairs in the place of Dr. Rushtu Aras, who left the Government after being the prominent figure in Turkey's foreign relations for a number of years.

In the domain of foreign affairs the chief preoccupation of the Government during 1938 was to reach a satisfactory settlement with France and Syria regarding the future of the Hatay (Autonomous Sanjak of Alexandretta), which had received individual status with complete independence in internal affairs under an agreement that had been accepted in May, 1937, by France and Turkey under the auspices of the League of Nations. The new regime came into existence on November 29, 1937, but unrest continued in the Sanjak, and on May 22 the Turkish Government protested to the League against French propaganda calculated to prejudice Turkish interests there. In July a Turkish special mission and the French authorities signed at Antioch a Convention and Protocol for the co-operation of their respective troops in the maintenance of order in the Hatay. This agreement was followed by a Treaty of Friendship between France and Turkey (July 14, 1938), by which each country undertook not to enter into any political or commercial understanding directed against the other, and agreed that, if one of them were attacked by a third Power, the other would give no help to the aggressor during the duration of the conflict. The two Powers, it was also stipulated, being equally attached to peace and security in the Mediterranean, would consult with each other with a view to carrying out their obligations. On September 8, after the National Assembly at Antioch had approved the Statutes of the Hatay, the President addressed a message to the President of the Kamutay in Ankara, in which he described the guiding principle of the new State as Kemalism.

At a meeting of the Council of the Balkan Entente, held in Ankara at the end of February, it was recorded that the policy of the four Governments (Greek, Rumanian, Turkish, and Yugo-

slav) in the Mediterranean was one of good relations and co-operation with Mediterranean Powers for the preservation of peace ; and Turkey and Greece, it was agreed, should do what was necessary to bring their attitude into line with the friendly relations that they entertained with Italy, having regard to the fact that Yugoslavia had already appointed a plenipotentiary accredited to the King of Italy and Emperor of Ethiopia and that Rumania had decided to do likewise. At the same time the Council considered that an important step would be made in the domain of international co-operation by Italy's adherence to the Montreux Convention of July 20, 1936. The hint was not lost on Italy, and on May 2 her adherence to the Montreux Straits Convention was announced, with "the reservations determined by Italy's withdrawal from the League of Nations."

Anglo-Turkish relations were the subject of a pronouncement made by M. Jelal Bayar, Prime Minister, on January 26, when he declared that never since the Great War had they been so friendly as at that time, and he explained that the visits exchanged between bankers and business men had no other object than to study economic conditions and prospects in Turkey and to establish personal contact. The sequel was forthcoming in May when the British Prime Minister announced in the House of Commons that three agreements had been concluded with the Turkish Economic Delegation. The first provided for guarantees by the Exports Credit Guarantee Department up to ten million pounds in connexion with the export of manufactured goods to Turkey ; the second supplemented the Trade and Clearing Agreement of 1936, and made new arrangements for regulating trade to improve the position of the Clearing, the Turkish Government checking the accumulation of fresh arrears and reducing those outstanding ; the third enabled Turkish orders for warships and other war material to be placed in the United Kingdom on credit terms, on the security of Turkey's programme of economic development.

The programme for the third four-year plan, to be financed by the British loan, included, in addition to a large number of new industries, an up-to-date port at Tshatal Agzi for the discharging of coal and ore and the shipping of the Karabuk iron products, a port at Trabzon (Trebizond), a ferry-boat to link European and Asiatic Turkey, twenty-eight new ships, the modernising of the two Istanbul docks, a new factory in Ankara for the manufacture of agricultural equipment, and regional power stations at Zunguldak and Kutahia.

At the beginning of October Dr. Funk, the German Minister for Economics, paid a visit to Ankara and concluded an agreement with the Turkish Government for the opening by Germany of credits amounting to Rm. 150 millions (L. 12,500,000) for industrial and military requirements, to be repaid over a period

of ten years. In February the Turkish Government had signed a contract with Krupps for the building in Germany of ten cargo and passenger steamers at a total cost of L.T. 10,000,000 (about 1,630,000*l.*). All the ships were to be delivered in the spring of 1939, and payment was to be made through the Turco-German clearing system.

The Budget for the year beginning June 1 showed revenue and expenditure balanced at L.T. 248 million (about 41,000,000*l.*), an increase of L.T. 17 million over last year's Budget. On May 21 the Budget Commission approved a Bill for the expenditure of L.T. 125 million (about 20,000,000*l.*) for national defence.

#### GREECE.

Various incidents throughout 1938 served as a reminder that some of the more politically-minded among the Greeks still entertained hopes of dislodging the totalitarian regime established by General Metaxas on August 4, 1936, and of expediting the return to constitutionalism for which the Prime Minister claims to be preparing the nation by more gradual disciplinary methods. On January 28 the Government reported the discovery of a plot to assassinate General Metaxas. Twelve party leaders, among them four ex-Ministers, together with three officers, were arrested and deported to some of the Greek islands, and two days later a number of Communists were arrested on the charge of agitating for the formation of a Popular Front. On May 4 it was announced that seventy-one Communists, including four deputies belonging to the Chamber that had been dissolved at the time of the *coup d'état*, had been arrested. A more formal challenge to the regime was staged in Crete on July 29, when five hundred armed men, led by M. Mitsokaitis, a nephew of the late M. Venizelos and a former Cabinet Minister, occupied the capital, Canea, and arrested the Governor. The Athens Cabinet acted promptly; martial law was proclaimed, the seat of Government was transferred to Candia, and troops, ships, and aeroplanes were sent to Crete. Within twenty-four hours the rising appears to have collapsed. In the course of the trials that followed four persons were sentenced to death, about a hundred were condemned to varying terms of imprisonment, and a few score were acquitted.

Apart from these symptoms of discontent the firm hold maintained by the Government enabled the course of internal affairs to exhibit an outward smoothness. The anniversary of the *coup d'état* was made the occasion on August 4 for a national festival, which brought large numbers of provincial representatives to Athens, and on October 23 the Greek Archæological Society celebrated the centenary of its foundation with a programme extending over five days.

In the sphere of foreign relations the year was marked by the

strengthening of the ties that bind Greece with her Balkan neighbours. The annual meeting of the Council of the Balkan Entente, held in Ankara during the last week of February, was attended by General Metaxas as the representative of Greece. The Council decided that the question of Ethiopia had become non-existent for the Balkan Entente, and, as Yugoslavia and Rumania had already recognised the Italian possession of Ethiopia, Greece and Turkey were left to bring their attitude into line with the friendly relations they entertained with Italy. A conference of the Chiefs of the Naval Staffs of the four States was opened in Athens on July 15, to be followed at the end of November by a conference of the General Staffs of the same countries. On April 27 the Turkish Prime Minister and his Foreign Minister arrived in Athens and signed the Greco-Turkish Agreement of Friendship and Neutrality. Their visit was returned by General Metaxas with a second visit to Ankara in November.

On July 31, at Salonika, the Prime Minister in his capacity as President of the Council of the Balkan Entente signed with the Bulgarian Prime Minister an agreement of non-aggression, by which the States signatories of the Balkan Pact recognised Bulgaria's equality of status in respect of armaments and full sovereignty over her frontiers, while Bulgaria in return gave pledges of non-aggression and of her peaceful intentions [see under Public Documents].

Early in September the Diadoch Paul (heir to the Throne of Greece) with the Greek Fleet under the command of Vice-Admiral Economos, on board the flagship *Averoff*, paid a visit to Malta, and on October 30 King George arrived in London for a private visit of a fortnight's duration. During the year the excavations on the site of the old Agora in Athens, carried out under American auspices, continued to be productive of interesting and valuable finds. No further advance was made in 1938 in the settlement of the question of Greek payments on external loans. In its sixth annual report the League Loans Committee recorded that the Greek Government, in spite of the fact that the Committee's previous economic and financial arguments had since been strengthened by a marked improvement in the exchange position of the Bank of Greece, had failed to recognise that "in order to obtain the substantial benefits of a settlement of a permanent nature for the service of their external loans . . . they must make an offer to the bondholders substantially in advance of any they have so far made for temporary payments."

#### BULGARIA.

The outstanding event of 1938 in Bulgaria was the signature by the Prime Minister, Dr. Kiosseivanoff, at Salonika on July 31, of an agreement of non-aggression with the four States of

the Balkan Entente. The Pact which inaugurated the Entente between Greece, Rumania, Turkey, and Yugoslavia was signed in Athens on February 9, 1934. The four States mutually guaranteed the security of their Balkan frontiers, and it was the unwillingness on the part of Bulgaria to agree to the *status quo* and to renounce her territorial claims that caused her to reject all the overtures to participate in the Pact. Persistent efforts, however, continued to be made to persuade her to subscribe to the Pact as an outward sign of a Balkan *détente*, and the Bulgaro-Yugoslav Treaty of January 24, 1937, provided the first evidence that Bulgaria was beginning to recognise that modifications of the severe terms of the Treaty of Neuilly, and particularly of the territorial limits that it imposed on her, were more likely to be obtained through an understanding with her neighbours than by resort to hostilities or by a permanent attitude of intransigence. By the July agreement the States signatories of the Balkan Pact, "taking into consideration that Bulgaria is attached to a policy of the maintenance of peace in the Balkans, and that she is animated by the desire to maintain with the Balkan countries relations of good neighbourliness and confident collaboration," undertook, and with them Bulgaria, to assume the obligation to abstain in their mutual relations from any recourse to force, and agreed, as far as they themselves were concerned, "to renounce the application of the provisions contained in Part IV of the Treaty of Neuilly as well as the provisions contained in the Convention concerning the frontier of Thrace signed at Lausanne on July 24, 1923." Part IV of the Treaty of Neuilly provided for the compulsory disarmament of Bulgaria, including the abolition of compulsory military service, the limitation of the Bulgarian army (apart from gendarmes and frontier guards) to 20,000 men, restrictions on the calibre of guns, and the prohibition of naval or military air forces and, in effect, of all naval forces except a few torpedo boats and motor boats for coastal police and fishery duties. The Lausanne Convention provided for a demilitarised zone on each side of the frontiers between Bulgaria and Turkey, between Bulgaria and Greece, and between Greece and Turkey in Thrace. By the agreement signed at Salonika Bulgaria does not formally become a member of the Balkan Entente, nor does she specifically renounce her territorial aspirations; but her signature paves the way among the Balkan States for an era of general co-operation to which they have hitherto been strangers, apart from the restricted scope of the Balkan Entente. Three weeks later, in execution of the agreement, Greek troops formally occupied the Maritza zone of Western Thrace, establishing their headquarters at Alexandropolis (Dedeagatch), and Turkish troops entered and occupied Adrianople. During September the Italian and French Governments announced their acceptance of the suppression of the military clauses of

the Treaty of Neuilly and of the dispositions of the Lausanne Convention regarding the demilitarised zone.

On the last day of October the correctness of Bulgaro-Yugoslav relations was further emphasised by the issue, after a meeting between the Prime Ministers of the two countries, of a statement to the effect that no misunderstandings divided the two countries, and that a common desire existed to maintain and develop their cordial co-operation on the basis of their unchangeable friendship guaranteeing their peaceful development. At the same time an agreement was arrived at to strengthen intercourse between the two nations.

In accordance with the Electoral Law promulgated in October, 1937 (ANNUAL REGISTER, 1937, p. 220), elections were held during March, resulting in the return of 104 supporters of the Government and 56 members of the Opposition. As one of its earliest measures the new Sobranye passed a resolution recommending the exclusion of nearly half the Opposition on the ground that the deputies had been elected as members of the "Group of Five"—the proscribed Radical, Liberal, Socialist, Old Agrarian parties—or as a result of Soviet propaganda during the election campaign. Friction between the politicians and the Government had led to the arrest of a large number of the former in February, and a protest was lodged by party leaders on the following day with the King complaining of the reign of terror in the country and demanding the restoration of the Constitution. Dr. Kiosseivanoff, however, continued to keep a firm hold on the country, and as evidence of the Government's impartiality ordered the dissolution of the Ratnizi, the Bulgarian Nazi Party, on April 24. In October further arrests took place of members of the Zveno Political Circle and of the Left Agrarians' organisations. Ministerial changes took place in January, when the Ministers of War and the Interior resigned. On November 14 the whole Cabinet resigned and was reconstructed with six new Ministers, again under Dr. Kiosseivanoff.

The assassination of Major-General Peeff, Chief of the General Staff, and his Adjutant, Major Stoyanoff, outside the Ministry of War on October 10 was at first believed to be of a political character, but investigation proved that the assassin, who was a pathological criminal, had no accomplices and had acted on his own initiative. He declared that he had intended to kill the King and the Minister of War, but had fired at the first high official he had met.

Economic affairs loomed prominently throughout the year. In August a French loan, or trade credits, to the amount of 375 million francs had been granted to Bulgaria. Towards the end of November a French economic and financial mission arrived in Sofia, and a Franco-Bulgarian Trade Agreement, providing for an increase of trade and a revival of French investments in

Bulgarian industry, was initialled on December 10. On October 12 the German Minister of Economics, Dr. Funk, visited Sofia in the course of a Balkan tour. Bulgaria has suffered from her economic dependence on Germany, who took in 1937 more than half her exports, and the French loan was an indication of Bulgarian anxiety to find new markets with free currencies. The object of Dr. Funk's visit was to improve German-Bulgarian trade relations and, it is understood, to extend even further the scope of German exploitation of Bulgarian resources. During the year the Bulgarian Government undertook to increase the service on the League and Pre-War Loans from 32½ per cent. to 36½ per cent. for the first half of 1939 and to 40 per cent. for the second half.

King Boris again made a tour of foreign countries, in the course of which he visited during September Great Britain, Germany, and Yugoslavia.

#### ALBANIA.

On January 31 the Albanian Parliament gave its consent to the betrothal of King Zog to the Hungarian Countess Geraldine Apponyi. The wedding took place on April 27 amid great popular rejoicings. As the King was a Moslem and his bride a Catholic, the marriage was performed by a civil ceremony conducted by the Speaker of the Albanian Parliament. Count Ciano, the Italian Foreign Minister, and the Hungarian Minister in Rome were present at the wedding, and the King celebrated the occasion by granting an amnesty to political prisoners and exiles, including the former Prime Minister, M. Fan Noli, who had once sent the King himself, as Ahmed Bey Zogu, into banishment.

### CHAPTER V.

LESSER STATES OF WESTERN AND NORTHERN EUROPE: BELGIUM  
— NETHERLANDS — SWITZERLAND — SPAIN — PORTUGAL —  
DENMARK—SWEDEN—ICELAND—NORWAY—FINLAND.

#### BELGIUM.

FINANCIAL questions were again in the foreground of Belgian politics in 1938. The Budget as at first drafted showed a deficit of 1,800,000,000 fr. At the beginning of April plans were approved by the Cabinet for economising to the extent of 600,000,000 fr. by reducing all estimates, save those for national defence, by 30 per cent., and for imposing new taxes to produce 1,300,000,000 fr.

These proposals were rejected by the Finance Commission of the Chamber of Deputies on April 28, and were also opposed by the three Catholic-Conservative Ministers in the Cabinet. On May 11, however, the Chamber, after discussing two Government Bills to restore certain taxes, passed a vote of confidence in the Government by 101 votes to 67. The Catholic-Conservative Ministers thereupon resigned, on the ground that they could not share in the vote of confidence given by the Chamber. This step broke up the three-party combination on which the Ministry was based, and in consequence M. Janson, the Prime Minister, placed its resignation in the hands of the King.

The task of forming a new Ministry was successfully accomplished on May 15 by M. Spaak, the Foreign Minister in the previous Government, and the first Socialist to become Prime Minister of Belgium. His Ministry consisted of three Catholics, four Socialists, and two Liberals, besides two extra-Parliamentary members. M. Spaak retained in his own hands the portfolio of Foreign Affairs. The new Government received a vote of confidence in the Chamber on May 18 by 132 votes to 38 and on the next day in the Senate by 118 votes to 22. On May 27 the Chamber by 122 votes to 76 passed a Bill instituting a National Crisis Tax to be levied on all remunerations, indemnities, pensions, annuities and allowances, and approved other increases in taxation.

In spite of these efforts, the financial situation still remained very difficult; in the middle of July M. Gérard, the Minister of Finance, stated that the Budget deficit for 1938 would total 901,000,000 francs, of which 419,000,000 francs had been incurred in supplementary expenditure during previous years. In a broadcast speech on July 29, the Premier declared that the situation was difficult but not desperate, and expressed his confidence in being able to restore equilibrium next year without resorting to deflation. In a statement issued in the middle of October it was said that as further taxation could not be contemplated a policy of economy must be pursued, and that the Government would ask for special powers to take the necessary steps. On December 1 M. Gérard was attacked by the Socialists and Christian Democrats in the Chamber on the ground that he was trying to introduce a policy of deflation. On the next day the Premier disclaimed such a policy, and M. Gérard promptly resigned, being succeeded by M. Albert Janson.

There was some searching of heart in the Socialist Party in the early part of the year over the question of recognising the Italian conquest of Abyssinia. On February 28 M. Janson, the Prime Minister, stated that the Government were considering the resumption of normal relations with Italy, as the hopes raised by the League of Nations had not been realised. The Government having decided in principle to take this step, M. Spaak at a meeting of the General Council of the Belgian



Socialist Party on February 23 offered to resign from the Government if the party disapproved. No decision was taken at this meeting, but at a meeting of the Council on March 4 a vote of confidence in the Socialist Ministers was passed by 73 votes to 17. A week later it was announced that the Government had decided to fill the vacancy in the Rome Embassy, which was tantamount to recognition.

Speaking in the Chamber on March 16, immediately after the German annexation of Austria, M. Spaak said that this was another reason why Belgium should pursue a policy of independence, as the protection offered by the League of Nations to small countries was obviously inadequate. While there was no hiding the concern which the methods employed by Germany had caused to the Belgian Government, they could do nothing in the matter except note the facts. In a subsequent speech he pointed out that Belgium was under no obligation to permit the passage of French troops across her territory in the event of an attack on Czechoslovakia. There were some German demonstrations in the Canton of Eupen after the Austrian coup, but when M. Dierx, the Minister of the Interior, visited the Canton in April, M. Zimmerman, the Burgomaster, declared that although the neighbourhood had a German character, the population belonged to Belgium and should not be judged by the actions of a few extremists.

In November M. Spaak announced that a representative would be sent to Burgos to watch the interests of Belgian commerce and also that Belgium would withdraw from the Non-Intervention Committee. At a meeting of the General Council of the Socialist Party on November 20, M. Vandervelde accused M. Spaak of having yielded to the demands of the Catholic Party in the Spanish question, and at a meeting of the Socialist Congress a few days later it was decided to call upon the Socialist Ministers to resign if the Burgos project materialised. On December 6 M. Spaak obtained a vote of confidence in the Chamber by 111 votes to 49, and on the next day the General Council of the Socialist Party called for his resignation. On December 11, however, he maintained that his large majority in the Chamber a few days previously showed that there was no need to look for another Government, and on December 13 the Senate gave him a vote of confidence almost unanimously after he had announced that he was trying to establish relations both with Barcelona and with Burgos.

A Bill authorising the expenditure of 9,000,000*l.* on the organisation of defence against air attack was adopted by the Senate on December 21 by 105 votes to 3. On December 23 the Chamber, by 117 votes to 10, approved the expenditure of 4,286,000*l.* for aerial defence, chiefly for the provision of anti-aircraft guns.

M. Emile Vandervelde, the distinguished Belgian Socialist, died on December 27 [see under Obituaries]. His funeral was attended by representatives of all political parties, the Universities, and large numbers of workers' organisations, both Belgian and foreign. King Leopold also sent a wreath.

#### NETHERLANDS.

The birth of a daughter to Princess Juliana on January 31 caused great rejoicing among the Dutch people, not unmixed with a certain disappointment that the child was not a boy. Later in the year, during the first week of September, the fortieth anniversary of the accession of Queen Wilhelmina was celebrated with great enthusiasm throughout the country. On September 6 the Queen received the homage of the Diet, and Dr. Colijn, the Prime Minister, in presenting the Address, remarked that only the real constitutional monarchies had withstood the attacks made on the Parliamentary system. The Queen in reply said that she had the pleasantest memories of her reign, during the whole of which she had been at one with the nation in its love of freedom and independence, and she was strengthened by knowing that she had the love and confidence of the people.

On January 11 a long debate took place in the States-General on the decision which the Government had taken at the end of 1937—after consultations with the other members of the Oslo group—to recognise the Italian conquest of Abyssinia, a step which was strongly disapproved of by the Socialists and Communists. Dr. Patijn, the Foreign Minister, defended it on the ground that, whether they liked it or not, Italian dominion over Abyssinia was undeniable, and non-recognition was detrimental to international relations. The step was taken as a matter of policy and not of principle. On February 14 it was announced that the new Minister to Italy would be accredited to the King of Italy and Emperor of Abyssinia. It was stated about the same time by the Government that they could no more rely on the League of Nations as a guarantee of collective security.

Owing to the disturbed state of international affairs, the Government considered its first task to be the strengthening of the country's defences, and for this purpose it held in abeyance its plans for an extension of old-age pensions and increases in the wages of Government employees. In May it was stated that the increased expenditure on defence would total fl.25,900,000, to meet which there would be an increase in the taxes on trade turnover and income tax. On February 3 it was declared that a minimum service period of 11 months, instead of five, was essential, and the recruits who should have returned to their homes on March 25 were kept with the colours six months longer, while the number of conscripts of the 1938 class was increased

from 25,917 to 30,517. Measures were taken to prevent the flight of foreign aeroplanes over the country in order to wage war. Dr. Patijn, the Minister for Foreign Affairs, also declared that they would allow no foreign army to enter Dutch territory. Early in July it was announced that the Government had completed plans for a great new aerodrome twenty miles south of Schiphol, Amsterdam's airport, the initial cost of which would be 1,700,000*l.*

On November 21 King Leopold of Belgium paid a State visit to The Hague. He was warmly welcomed by the Dutch people, and on all sides expression was given to the need for Holland and Belgium to co-operate both politically and economically.

The persecution of the Jews in Germany towards the end of the year was very outspokenly criticised in several Dutch newspapers, and on representations being made by the German Government, Dr. Colijn, the Prime Minister, advised the Press to be more careful in its remarks and not to lose its sense of responsibility. On November 15 Dr. Colijn had referred to the question of Jewish refugees as "the first problem of the day". He stated that in many places in Holland children left on the frontier were being admitted and cared for. It was, however, impossible to open the frontiers, as otherwise 200,000 refugees from Germany might enter and create insoluble problems. Any arrangements for collective relief must be on an international basis.

Towards the end of September, when the Czechoslovak crisis was at its height, reservists were called up and a Royal Decree was issued proclaiming danger of war and authorising the Government to take all necessary steps. The peaceful settlement of the crisis was greeted with intense relief.

#### SWITZERLAND.

The Federal President for 1938 was Herr Johannes Baumann (Appenzell), and the Federal Vice-President Herr Philipp Etter (Zug). At the end of December, 1938, Bundesrat Meyer (Zurich), the head of the Finance and Customs Department, resigned, and in his place the full Federal Assembly, *i.e.*, the two Chambers in joint session, appointed Herr E. Wetter (Zurich) for the rest of the legislative period (till December, 1939).

Through the annexation of Austria by Germany, Switzerland lost a neighbour with whom she had lived in complete harmony, and from whom she had to fear no menace. Now all her neighbours are Great Powers. The German Reich which hitherto was her neighbour only on the north now stands on her eastern flank also. Her frontier with Germany has grown from 367 km. to 432 km., or, if one reckons the Principality of Liechtenstein which is exposed to a German occupation, to 472 km. For the sake of

comparison it may be mentioned that France's frontier with Germany is only 370 km.

Through the rise of a Berlin-Rome axis hostile to the League of Nations, the position of Switzerland as a member of the League became to a certain extent critical. She realised the necessity, not indeed of withdrawing from the League but of recovering her full neutrality within the League (*vide* ANNUAL REGISTER, 1937, p. 233). On January 31 the Swiss delegate declared in the League Committee of 28 (on the reform of the Covenant) that for the future Switzerland, being desirous of returning to full neutrality, would no longer participate in financial and economic sanctions. (By the London Declaration of 1920 she had already been relieved of the obligation of military sanctions.) On April 21 the Bundesrat requested the General Secretary of the League to place the question of full neutrality on the agenda of the next meeting of the Council. On May 14 the Council of the League declared unanimously, save for the abstention of the Soviet Union and China, that complete neutrality on the part of Switzerland was compatible with her membership of the League, and took note that Switzerland would no longer participate in any sanctions, but would continue to grant the facilities which she had hitherto granted to the League and its institutions on her territory. The return to full neutrality was communicated by Notes to both the German and the Italian Governments. In Notes dated June 21 these expressed their willingness to respect Swiss neutrality.

In the German Press a peculiar interpretation was soon given to Swiss neutrality, namely, that every individual Swiss, and especially the Press, had to refrain from all criticism of what went on in Germany and of Germany's conduct in foreign affairs. A hitherto unknown concept, that of "national neutrality," was created, and its observance was demanded of Switzerland. This demand, which it is true was not presented officially, strikes at the very foundations of Swiss life. That the attitude of the Government should be binding on every individual, that there should be no free formation and expression of opinion on events abroad, is possible only in a totalitarian state, as indeed the idea of national neutrality is a product of totalitarian political theory. Switzerland cannot yield on this point, and will not be untrue to herself. It has been repeatedly stated in Switzerland, both in the Press and by the Government, that the State alone is neutral, and that expression of opinion by the citizens is free.

The expressed determination of the German Press, sometimes accompanied by threats, not to be content with the neutrality of the Swiss Government, aroused anxiety as to the purpose behind it. Seeing that almost the whole Swiss Press is forbidden in Germany, its criticisms can have no influence on German subjects, and therefore there cannot be any question of a

defensive measure on the part of the German Government. Seeing therefore that the steps taken by the Swiss authorities against the Nazi organisations and newspapers in Switzerland have been declared by the German papers to be unneutral, and the granting of asylum to Jewish, Socialist, and Communist refugees to be incompatible with neutrality, the objective may be to bring Switzerland into political line with Germany. Another possible objective is, by means of silencing all criticism on events in Germany while continuing Nazi propaganda in Switzerland, to make that country ripe for annexation to the Third Reich. Finally, especially in view of the tense international situation, it is possible that failure to comply with the impracticable demand for national neutrality may, if war breaks out, serve as a pretext for declaring that Switzerland has violated its neutrality and for invading it. Switzerland has not let itself be intimidated, only the Government has issued a warning to the Press to abstain from unnecessary bitterness in criticising German affairs.

On the Italian side the irredentist propaganda claiming Ticino, Vaud, and Grisons as Italian territory was less active than in the previous year (*vide* ANNUAL REGISTER, 1937, p. 230). Neutrality in regard to the Civil War in Spain was again strictly observed. "Spanish travellers" who returned were handed over to the courts to be tried. When all of them returned on account of the general dismissal of foreign volunteers by the Spanish Government, there was a widespread demand for an amnesty for them. For the time being no arrests were made of those who returned.

In 1936 there were no plebiscites in Switzerland; in 1937 there was one; in 1938 there were five. On February 20, in a plebiscite, the people by 573,991 votes to 552,827, *i.e.*, by a ten to one majority, approved the recognition of Romansch (Rhaeto-Romanic) as a fourth national language in spite of Italian propaganda efforts to the contrary (*vide* ANNUAL REGISTER, 1937, p. 231). The Swiss criminal code, which replaces the cantonal codes hitherto in force, was approved by the people on July 3 by 357,814 votes to 310,678 (*vide* ANNUAL REGISTER, 1937, p. 234). Over 50,000 votes were registered for the code in the "Welsch," *i.e.*, French-speaking cantons, which shows that the extreme Federalism displayed by most of the papers in the Welsch cantons, which led them to oppose the code, was not shared by the whole Welsch population. The code will come into force on January 1, 1941.

The new financial proposals were accepted by the people as an article of the Constitution on November 27 by 508,293 votes to 194,285, and by all the cantons except one (Geneva).

The annexation of Austria and later of the Bohemian territory by Germany profoundly affected the Swiss people, and instigated it to make emphatic pronouncements of its will to

preserve its national freedom. On March 21 the Bundesrat and both Houses of Parliament in a solemn sitting proclaimed with a unanimity of all groups never before attained that "the whole Swiss people, without distinction of language, creed, or party, is resolved to defend the inviolability of its Fatherland to the last drop of its blood, against any attacker, no matter who it is." In many places great meetings were held to proclaim the unity and the patriotism of the people. The whole Bundesrat, with the exception of one member who was ill, took part in the Landsgemeinde<sup>1</sup> of the canton Appenzell Ausser Rhoden and thus emphasised its democratic faith.

The dangerous situation impelled the people, especially in German-speaking Switzerland, to insist on a great speeding-up of the reinforcement of the military defences of the country which had been already planned, and on going beyond the plans which had been made. The Government and Parliament, however, opposed over-hasty rearmament. Nevertheless, the strengthening of Switzerland's military power made good progress. The new troop regulation (*vide* ANNUAL REGISTER, 1937, p. 239) came into force on January 1, and was called into play in the course of the year. Thanks to it, since the protection of the frontier can be mobilised in a few hours and the Army itself can be ready to march on the evening of the second day of mobilisation, in the days of the September crisis it was not necessary to call up any men. Only the higher commands were assembled, and the mine chambers of the bridges and streets in the frontier districts were loaded and guarded by soldiers of the standing frontier watch battalions.

It is of great importance for Switzerland that successful efforts have been made to produce in the country the whole of the artillery she needs. Aeroplanes are at present produced only in small quantity, but arrangements are being made to found a Swiss aircraft industry. In April the Bundesrat laid before Parliament a proposal to prolong the refresher course for reservists from two weeks to three, and this was adopted. It was also decided to apply the remainder of the Defence Loan of 330 million fr. (*vide* ANNUAL REGISTER, 1936, p. 240) to rearmament, and of the credits of 400 million fr. for providing work which have been proposed but not yet voted 196½ million are earmarked for military preparations. At the end of the year the Bundesrat contemplated requesting a further 350 millions for purposes of rearmament. This will bring up the amount of extraordinary expenditure voted for national defence since 1930 to about 1 milliard of francs (in a population of four millions).

<sup>1</sup> The Landsgemeinde is the annual assembly of the citizens of the canton in the open air for purposes of election and law-making. The citizens attend armed with a sword. This is the old-German "Ding" (Saxon "thing") which has maintained itself in some rural cantons of Switzerland.

The prolongation of the training period of recruits from an average of three to one of four months is contemplated, but has not yet been proposed to Parliament. Lively discussions were occasioned by the question of the supreme command of the Army in peace. In peace time the Army lacks a single military head. The Army corps commanders are under the civil head of the Military Department, and only on mobilisation is the General Commander-in-Chief appointed by Parliament. In the present-day conditions the requisite time for such an appointment will not be available. As the appointment is laid down in the Constitution, an alteration of the Constitution—which must be voted by a majority of the people and the cantons—will be necessary. There is also a strong demand—unanimously supported by the Officers' Union—for a supreme command for peace time, a "Peace General," who will automatically become Commander-in-Chief on mobilisation. The Bundesrat is opposed to this, and wishes to keep open the decision who shall be Commander-in-Chief in case of mobilisation. Another proposal is for an Inspector-General who shall secure uniform training in the Army. The decision on this point will be made in 1939.

Further work was done on the establishment of frontier fortresses and anti-aircraft defence. After a number of partial black-outs, on the night of September 27-28 there was a total black-out over the whole of Switzerland, which was very successful.

The threat from without drew all Swiss closer together. Above all in German-speaking Switzerland the effort of the middle classes to co-operate with the Social Democrats after these had acknowledged the need for national defence and become patriotic, was carried further (*vide* ANNUAL REGISTER, 1937, p. 235). In the processions on May 1, the Socialists for the first time carried the Swiss flag, and in the canton of Berne the Socialists were invited by the bourgeois parties to send two representatives to the hitherto purely bourgeois government of the canton. In the election, however, the two Social Democrat candidates (Grimm and Möckli) did not at the first ballot receive sufficient votes, so that a second ballot was necessary. When Bundesrat Meyer (Liberal-Radical) gave in his resignation from the Bundesrat, the question was raised of taking in a Socialist. In German Switzerland, Press and public strongly supported the idea of appointing a Social Democrat. The Social Democratic Parliamentary group put up Dr. Klöti, Mayor of Zurich and member of the Ständerat (the first Chamber). As according to custom Zurich, Berne, and Vaud have each a representative in the Bundesrat, the successor of the Züricher Meyer had to be a Züricher. The majority of the cantonal Liberal-Radical Party associations offered to forgo their party claim to the seat in the Bundesrat which had been occupied by

Herr Meyer, which would have placed the Radicals in the Bundesrat in a minority (3 instead of 4 seats out of 7), and to vote for the Socialist. The Radicals of the Welsch cantons, however, opposed the introduction of a Social Democrat into the Federal Administration, and found support in the financial interests. At the same time the Socialist Press vehemently attacked Klöti's opponent, Dr. Wetter, whom they alleged to represent big capital in industry and banking. Chiefly to avoid a breach in the Liberal-Radical Party, the German Swiss in it gave in to the Welsch elements and finally adopted Dr. Wetter as their candidate. Dr. Wetter, however, was elected only with a small majority—117 votes to 98—by the United Federal Assembly. At the same sitting Bundesrat Dr. Etter (Zug) was elected Federal President and Bundesrat Marcel Pilet-Golat Vice-President for 1939. This endeavour to get a Social Democrat into the Federal Government has nothing to do with a "popular front" after the French model. What effect the rejection of their candidate will have on the attitude of the Social Democrats (who are the largest single party) was not yet clear at the end of the year. The Socialists have again taken up the old idea of having the Federal Government elected directly by the people, as is the case with most of the cantonal governments. This meets with grave objection. Another idea is to enlarge the Bundesrat from seven to nine members so that, while the present seats could be left as they are, the two new seats could be given to the Social Democrats. As the number of Bundesrat members is fixed by the Constitution, an alteration of the Constitution would be required for either change.

The so-called Renovation movement throughout the "Fronts," which arose in 1933 (*vide* ANNUAL REGISTER, 1933, p. 235), suffered a severe setback through its connexion with National Socialism, which was made a matter of reproach to it by the public. On January 24 the leader of the National Front, Rolf Henne, retired, presumably because his connexions with Germany had compromised him too much in the eyes of his own people. In his place was chosen Robert Tobler, the only National Front member of the Nationalrat. On the Sunday after the annexation of Austria, elections to the municipality took place in Zurich, and the National Front lost its whole ten seats. As a genuine Swiss movement the Fronts are now liquidated; what remains of them is foreign importation.

In 1938 the pressure of Nazi propaganda on Switzerland became constantly stronger, and in various German publications faithful to Nazi theory a large part of Switzerland was represented as properly belonging to the Reich because German is spoken in it. This claim aroused general resentment. For the protection of liberty restrictions on liberty had perforce to be introduced, and complete liberty of speech and action could no longer



be allowed to those forces which with support from abroad were propagating the idea of the totalitarian state in Switzerland. On May 27 the Bundesrat extended the scope of a previous resolution directed only against Communist intrigues so as to make it applicable to all kinds of propaganda dangerous to the State. Yet it was not till November 10, after the step had long been demanded by public opinion and there was a danger that the people would take the law into its own hands, that the police at length resorted to action in a number of towns and villages against the Nazi organizations which had been established there. There was much discussion in the National Council on the intrigues dangerous to the State. On the 15th the Bundesrat prohibited the Nazi papers *Angriff*, *Schweizerdegen*, and *Schweizervolk*. These were weeklies which were distributed in large numbers gratis to houses. On December 5 the Bundesrat framed a Federal resolution, which came into force on December 15, "on measures to be taken against proceedings dangerous to the State and for the protection of democracy." This was not everywhere favourably received, as many people were afraid that its effect would be to create a new crime of dangerous thought, after the model of some other States.

The persecution of the Jews and others in Germany and the territories acquired by it, brought a great stream of fugitives into Switzerland. The Bundesrat was compelled to take strict measures to prevent Switzerland being overrun, as France, the only neighbour which might have taken the overflow from Switzerland, placed great difficulties in the way of entry. According to a statement of Federal President Baumann to the Nationalrat on December 7, there were 10,000-12,000 refugees in Switzerland. With her four million inhabitants, Switzerland cannot accept any more for permanent residence. All beyond this number can use Switzerland only for purposes of transit. This severity towards the unfortunate sufferers called forth much protest in the public, but was after all recognised as a necessity.

Foot-and-mouth disease did great damage to Swiss cattle this year, and the measures taken to prevent its spread injured trade and commerce.

Unemployment this year constituted a serious problem. It could not be mitigated, as in some other countries, by drafting the unemployed into the Army or the militia. In previous years the plan favoured was to make grants to the unemployed; this year efforts were made to find them work. The Bundesrat approved a scheme for finding work for the unemployed which involved a credit of 400 million francs. The undertakings which are to be financed in this way, such as the improvement of Alpine roads or building of new ones, will not devolve only on the Federation. The Cantons must make a contribution to the work carried out in their district, and where possible the Communes also.

The "cultural self-defence" movement (*vide* ANNUAL REGISTER, 1937, p. 230) made further progress. On December 9 the Bundesrat laid before Parliament an important scheme regarding the preservation and advancement of Swiss culture, the work of Bundesrat Etter. A decision on it will be taken in 1939. At the end of the year, also as part of the work of cultural self-defence, a Swiss Chamber of Films was created, which commenced work immediately.

Industrially the year was peaceful; there were practically no strikes. Employers and workers knew how to work together for the time being, and the number of collective agreements increased considerably. A heavy anxiety, however, rests on the whole people in consequence of developments in the year 1938, for the political independence of Switzerland depends on an approximate equilibrium of forces in Europe.

According to the index of prices, the cost of living has increased only by 5.1 per cent. since the depreciation of the franc in September, 1936. The depreciation of the French franc did not affect the Swiss franc, but had a somewhat adverse effect on Swiss export trade to France and on the French tourist traffic to Switzerland.

Imports were less in 1938 than in 1937—1606.9 million francs compared with 1807.2 million. Exports increased from 1286.1 million to 1316.6 million. Consequently the adverse balance fell from 521.1 million to 290.3 million. Trade with Germany still took the first place, even though imports from it fell off. The figures were: Imports, 373.1 million fr.; exports, 206.1 million fr. Trade with Great Britain on the import side took fifth place, with 95 million fr., on the export side second place with 148.1 million fr.

Switzerland's share in world imports was 1.5 per cent., in world exports 1.2 per cent.

Textile exports, especially in woollens and silks, fell off from 206.2 million fr. in 1937 to 183.5 million fr. Metal industry exports, including watches, which first surpassed textile exports in 1928, were this year three times as great: 545.1 million fr. (1937, 481.2 million). Of this the watch industry claimed 241.3 million (1937, 240.4 million). Exports of foodstuffs (cheese, condensed milk, chocolate) amounted to 58.5 million fr. (1937, 50.3 million). Chemical and pharmaceutical exports amounted to 198 million fr. (1937, 192.8 million). It is estimated that imports accounted for about 40 per cent. and exports for rather more than 30 per cent. of the total business turnover.

#### SPAIN.

Throughout 1938 the war continued to ravage Spain, and the substantial assistance afforded to General Franco's cause by the expansionist States, Germany and Italy, to set a pretty problem

to the chancellories. The surprise offensive undertaken by the new People's Army at Teruel in the latter days of December, 1937, had achieved its object; it had frustrated the plans of the Insurgent command for a major operation on a wide front from outside Madrid to Malaga in the south. And the showing of the Government troops seemed to justify to a great extent the optimistic tone of the Bulletin issued by their General Staff: "we will no longer be the anvil but the hammer." The strength of the Government forces was now estimated at 650,000, with 140,000 in reserve: of this mass of man-power the volunteers of the International Brigade represented less than 2 per cent., approximately 15,000. Meanwhile, however, General Franco and his High Command had on their side been building up a formidable "Nationalist" Army—mainly Spaniards with a leavening of Moroccans—which was supported by unlimited supplies of war material, especially artillery, tanks, and aviation from the arsenals of Germany and Italy and a substantial if not particularly efficient Italian expeditionary force.

Fighting continued fiercely in the terrain above Teruel, most of which is some 3000 feet above sea-level, but it was not until February 21 that the Insurgent Army was able to recapture the city. Accordingly, the German and Italian advisers prevailed upon General Franco to intensify pressure on the civil population by aerial attack in the hope that this might bring about a psychological collapse in the regions along the Mediterranean coast which had not yet seen the war at close quarters. On January 11—and again on January 19—air-raids rained bombs on Barcelona, Tarragona, and a number of peaceful seaside towns where there was no trace of any military objective. Several British merchant-ships were bombed during January and February, and this first step towards an air blockade served to remind the outside world of the difficulties of the food situation in Government Spain, which depended so much on its import and export trade.

The Spanish Government appealed in vain on January 29 to the Insurgents for a mutual arrangement to refrain from bombing open towns and non-combatants, and an Anglo-French *démarche* to General Franco on February 16 produced the same negative result. (Just over a month later the Pope addressed an identical appeal; but it was all to no effect—a fact which seemed to confirm the generally accepted view that the *Generalissimo* was by now no more than a puppet in the hands of his foreign allies.) From Barcelona on February 3, nevertheless, it was announced that, in any case, independently, the Government's aviation would abstain from bombing non-military objectives: although this could properly be interpreted as a gesture from weakness, it was also entirely in accordance with the declared policy of Señor Negrin to look beyond the war-period to a Spain in which one day the Spaniards on both sides would have to live

together. A characteristic and courageous speech on these lines was the feature of the "regulation" meeting of the Cortes (Parliament) on February 1, which took place in the historic monastery at Montserrat, some 50 kilometres outside Barcelona. Another important speech, this time by the President of Catalonia, Luis Companys, to the Catalan Corts on March 1 showed that the Autonomous Region was solid in its backing of the Spanish Prime Minister's policy of determined resistance. The air bombardments had only had the effect of strengthening the ties between Catalonia and the rest of Spain.

The fighting died down in the Teruel sector after the recapture of the city by the Insurgents, and there was a lull while General Franco's advisers prepared for their next stroke of strategy. As was perhaps to be expected, the decision was taken to strike from Aragon with a view to overrunning the southern wedge of Catalonia where the Region marches with the province of Valencia. As an overture to the new performance, however, the German and Italian staffs in Spain (it is said, without having previously informed General Franco of their intentions) ordered an experiment of air terrorisation on an unprecedented scale. At 2 p.m. on March 16 there began a succession of fearful air-raids on the city of Barcelona, not merely on the harbour and neighbouring districts but in the centre of the town, which went on at intervals of two or three hours for two days and a half. The casualty list was 815 killed, 2,200 more or less seriously wounded, and 20,000 with minor injuries. All the evidence goes to show that the bombers on this occasion were experimenting with new types of high-explosive bomb, and the object was clearly set out on the leaflets rained at the same time on the terrified population: "We shall bomb you every three hours until you surrender." That the condition of the inhabitants was one of near-panic after this merciless destruction qualified observers have all testified. However, they did somehow manage to stand the strain: and the only immediate effect was to give a tremendous fillip to the work of passive defence (air-raid precautions, etc.). World opinion was appalled by this new evidence of savagery, and, outside the anti-democratic countries, where the facts were, of course, concealed, the number of sympathisers with the Insurgent cause noticeably dwindled.

Then, on March 26 the Aragon offensive got under way, outside Huesca and between Caspe and Alcaniz, in the north-east of the province of Teruel. The Insurgent forces, with a terrific weight of metal, failed in the north to cut off the frontier station of Puigcerdá, but after a month's fierce fighting they were successful in driving a wedge between Barcelona Province and the rest of Government Spain. On April 15 (Holy Thursday) they reached the Mediterranean coast at Vinaroz. The Government Army contrived to hold them, however, on the left bank of the Ebro.

There was no question but that this was a serious defeat for the Government on whom since the autumn of 1937 fortune had appeared to be smiling. On March 6, for instance, in one of the very rare naval actions of the war the loyalist fleet had acquitted itself creditably and had sunk by torpedo the Insurgents' chief battle-cruiser, the *Baleares*. The air bombardments, however, were evidently putting a terrific strain on the nerves of the Government leaders, and Don Indalecio Prieto, the Minister of Defence, who had borne the burden and heat of the day since the beginning of the war, was so disheartened by the Insurgents' success in Aragon that he was ready to hearken to those in Catalonia (a relatively small section) who favoured surrender on the best terms possible before their fair Region was ravaged. The psychological tension was relieved, however, by the admirable fortitude of Dr. Negrin, who on April 5 reformed his Cabinet, taking over himself from Señor Prieto the Ministry of Defence. The composition of the new Government showed little change, Moderate Socialist influence predominating—Señor Alvarez del Vayo continued at the Ministry of Foreign Affairs—and all parties being represented, including the Basque Nationalist and the Catalan Esquerra (Left). The continued fervent support of the latter was assured by the tactless declarations of Franco leaders that they proposed to abolish all regional liberties. It was on April 6, in fact, that his Government, whose "strong man" at the Ministry of Public Security was General Martinez Anido, the arch-enemy of Catalanism, formally decreed the annulment of the Region's Statute of Autonomy. The desire to "build-up" the figure of the Leader (*El Caudillo*) in the approved Fascist style had been made manifest in General Franco's taking to himself the title of President of the Spanish State on February 3.

Meanwhile, events in Central Europe had persuaded the British Prime Minister that an Anglo-Italian Agreement must be contrived at any cost: so that His Majesty's Government turned a deaf ear to the renewed protests (in a note handed in by the Spanish Ambassador on April 5) against the continuation of the patent farce of "non-intervention" and to the appeal of the Spanish Government for the right to buy arms, recognised under international law. On April 16 the conclusion of an Anglo-Italian Pact was announced, the only concession to its critics being that it should not be made effective until a "settlement" of the "Spanish problem" had been reached. As at that moment the forces of General Franco seemed to be carrying all before them, the assumption no doubt was that this would be only a matter of weeks. Not for the first time the *Generalissimo* announced in a broadcast speech on April 19, "the war is over, these are the last days of conquest." On the same day, however, one of his subordinates, General Yague, in an indiscreet outburst, deprecated the denigration of the Government troops which were

resisting so courageously against tremendous odds—and permitted himself some highly-coloured language in disparagement of the German and Italian confederates, for which he was duly censored. Evidence was accumulating, indeed, that the dissensions among the disparate elements ranged under General Franco's banner were constantly increasing, *e.g.*, a broadcast from Phalangist headquarters on May 17 and a revolt of Carlist elements against the paladins of the National-Syndicalist Revolution at Pamplona on May 22.

The Negrin Government was not slow to seize its chance of exploiting the growing disgust with the "foreigners" and general war-weariness in the territory under General Franco's rule. On May 1 the Prime Minister set forth a statement of War-aims in Thirteen Points which were calculated to appeal to all Spaniards except the reactionary minority and those fanatical sections which had lost sight of Spanish facts in their enthusiasm for the totalitarian doctrines imported from Germany and Italy. The statement began with a proclamation of the absolute independence of Spain and the need for ejecting all foreign elements, alike military and economic, that had sought since July, 1936, power and domination in Spain. It then proposed, immediately after the war was over, a national plebiscite, with the fullest guarantees, to determine the future legal and social structure of the State. It recommended, at the same time, a Republic of the people—with a strong Executive power. There followed the fundamental Point—respect for regional liberties—without prejudice to Spanish unity. Another Point provided for freedom of conscience and the free exercise of religious belief and practice. Agrarian reform to abolish semi-feudal ownership of the land in favour of a new democracy of peasant proprietors, a State guarantee of private property rights, with restrictions only on abusive accumulation of wealth, and advanced social legislation—these were the "social" provisions. And finally there was the offer of a complete amnesty for all Spaniards willing to collaborate in the reconstruction of Spain. It was certainly a charter justifying Dr. Negrin's claim that loyalist Spain had every bit as much right as General Franco's regime to the title of "national."

On April 23 the Insurgent Army began a major offensive directed to the capture of Sagunto, and the important manufacturing towns Castellón and Valencia. It was timed to take twelve days: in practice it was a matter of fifty days before Castellón fell to the rebels, and the thrust at Sagunto itself was successfully warded off. In this period of fighting the Government forces gave a good account of themselves, retiring in perfect order. The capture of Castellón, however, on June 15, was a definite success for the Insurgents, providing them with a useful orange-shipping port. During May and June the bombing of towns and villages in Catalonia and down the coast to Alicante

was intensified, and the continual damage to British merchant craft provoked in England a great deal of criticism of the Chamberlain Government for its inaction. In this matter of aerial bombing the British Government took the initiative in proposing the establishment of an international commission of observers who should be required to proceed to places bombed and to investigate and report whether the bombing was justified by the existence of military objectives. It was not found possible to pursue this project on an international basis, but a purely British Commission was set up—and did valuable reporting on several occasions during the rest of the year.

The perseverance of the British Government also at last made possible a measure of agreement in the Non-Intervention Committee. On July 5 this Committee adopted what is known as the British plan for the withdrawal of non-Spanish elements—from both sides. It was communicated at once to Burgos and Barcelona for their observations, and Dr. Negrin's Government replied, accepting the plan, with a few minor criticisms, on July 24. From Burgos, on the other hand, after long delays, came a dusty answer, significant only by its demonstration that General Franco was not a free agent but was obliged to take his orders from the Berlin-Rome axis. This document, incidentally, was published in full in the Government Press on August 25.

On July 25 the pressure on Sagunto and Valencia was relieved by a brilliant unorthodox military operation, designed by the Government General Staff as a diversion. Their forces effected a surprise crossing of the Ebro at several points over a 90-mile front and recaptured several hundreds of square miles of territory. As a consequence the Army Corps in this sector were left to defend their gains with the natural defensive position of the Ebro at their back instead of in front of them : but so successful were they in holding their ground—beyond the month originally scheduled by the General Staff—that it was not until the middle of November that the Insurgent forces were able to retrieve the situation. Another minor operation was effected in the northern area of Catalonia in the basin of the Segre—east of Lerida.

During the late summer both sides were engaged in tightening up the political controls. The *Caudillo* took unto himself yet another imposing title, Captain-General of Spain, on August 15, while in Barcelona the Government announced its decision to place under the direct control of the Central Government all factories producing material for war needs and to set up its own tribunals in the autonomous Region. This provoked considerable heartburning among the Catalans, jealous of every intrusion upon their cherished self-government, and Señor Aguade, Minister of Labour and Social Assistance, of the Catalan Left, resigned, together with Señor Irujo, the Basque representative. Their

places were promptly taken, however, by two other men from the same parties.

By September the situation in the political and military sphere seemed to be one of stalemate. Heavy fighting continued on the southern fronts, in Extremadura and Andalusia, as well as in Catalonia and on the borders of Teruel-Valencia. Air-raids were continuous. And the effect on the food situation was now appreciated, so that the Negrin Government redoubled its efforts to obtain relief from the many organisations abroad anxious to afford humanitarian aid. The Prime Minister was instrumental in securing two experts from the Health Section of the League of Nations Secretariat to visit Barcelona and investigate the minimum needs of the population. A valuable report, estimating the cost of the necessary relief measures at 476,000 *l.* per month and suggesting the appointment of a special Relief Commissioner, was issued on November 5.

But the assistance of the League was also invoked in another and more significant way. On September 21 Dr. Negrin announced, independently of the project set forth in the British Plan approved by the Non-Intervention Committee, that his Government proposed to withdraw immediately *all* foreign combatants from its ranks—including those who might have acquired Spanish nationality since July 17, 1936—and invited the League to appoint a Commission to supervise the withdrawal, thus to demonstrate the *bona fides* of his offer. An International Military Commission was duly appointed and reached Barcelona on October 16. It was still engaged on its task at the end of the year.

This political stroke set the seal on the Government's presentation of the war, in the circumstances of 1938, as essentially a "war of independence" wherein all Spaniards might come together to eject the foreigners. General Franco, according to any rate to an interview given to the British United Press Agency (on November 7), had abated not one whit of his intransigence: and he did his best to exploit the departure from Cadiz on October 15 of 10,000 war-weary Italians who had served more than eighteen months in Spain as being a contribution to the British scheme for getting rid of all foreigners sufficient to justify the grant of belligerent rights. The British and French Governments, however, declined to be impressed: and the egregious Non-Intervention Committee was allowed gradually to fade away into the limbo. Early in December the representatives of Holland, Sweden, and Belgium intimated that they wished to resign from the Sub-Committee which was supposed to be operating the control scheme. Meanwhile war material from Germany and Italy continued to pour in, as the Army of General Franco was being braced up for a final smashing offensive to complete the break-through in Catalonia which had seemed imminent the previous April. After compelling the retreat of the Government



forces on the Ebro front to the lines held on July 25 the Insurgents marked time, except for their continual bombing raids, until the third week of December. Then, on December 23, the "Nationalist" Army, preceded by a terrific artillery barrage and assisted by the German "Kondor" Air Force and the Italian "Legionary" Aviation, began its assault in three sectors. Along a 100-mile front they made progress but, at the turn of the year, were being held: and once more the Government employed tactics of a "diversion" on another front, in this case, Extremadura, near the rich mines of Peñarroya. Neither militarily nor politically was the end of the war in sight.

#### PORTUGAL.

During 1938 nothing occurred in Portugal to disturb her economic life or her relations with other countries.

Since the Mother Country and the Colonies were declared an indivisible Empire, the patriotic feeling of the nation has become intensified, and judging by the varied uniforms and the lappet-embles seen everywhere, the Portuguese are rapidly becoming a military-minded people.

On June 6 the Government accounts were published for 1937, and showed a surplus of about two millions. Owing to the country's healthy financial position, all branches of the public services have been improved; the roads vie with those of any country, the town slums are being cleared and workmen's houses in healthy situations are being constructed; education is not being neglected.

Early in the year the British Home Fleet, which included the *Nelson* and the *Rodney*, paid the usual annual visit to Lisbon.

In the early part of the year the British Government had arranged with the Portuguese that a British Services Commission should go to Portugal to co-operate with the Portuguese Services in an examination of problems of defence and strategy, and of questions of a military nature connected with the Anglo-Portuguese Alliance. The Commission arrived in February under Rear-Admiral N. A. Wodehouse, and with some intervals continued their work until they returned to England on December 16. At a reception of the Press, the Admiral said that he considered the work of the Mission had been successfully accomplished, and he was very pleased with the results obtained.

As a Portuguese Commission was sent out to Mozambique and Angola to examine the defences there, it may be presumed that one was connected with the other.

Mr. Pirow, the Union Minister of Defence, passed through Lisbon on his way north in the spring, and (it is understood) that he discussed with the Portuguese Government only questions relating to an air service between Angola and the Cape.

On May 2 a decree was published authorising the construction either abroad or in national establishments of three 1,400-ton destroyers, three 900-ton submarines, and twenty-one smaller vessels, the whole involving a cost of about two and a quarter million pounds. This forms the second portion of the plan of naval organisation authorised by decree of July 17, 1930.

On July 11 President Carmona left on the Portuguese liner *Angola*, escorted by the sloop *Afonso d'Albuquerque*, on an official visit to Angola and S. Thomé, where he was received with the greatest enthusiasm by both colonists and natives. He returned on August 30. It is the first time that a Portuguese President left the country during his term of office.

On July 12 Portugal recognised the new Italian Empire.

One of the outstanding features of the year was the increasing value given to the Anglo-Portuguese Alliance, the oldest in the world and one which has existed unsullied through the centuries. At first, as Professor Webster said, an alliance between Kings, then between Governments, it has become a real bond of friendship and respect between peoples. On every occasion whether by President or Premier, officer or civilian, its value has been emphasised.

A great stride forward was made in Anglo-Portuguese cultural relations by the institution under the patronage of Dr. Armindo Monteiro, the Portuguese Ambassador in London, of the "Anglo-Portuguese Society."

In November the British Institute in Portugal was opened by the Portuguese Minister of Education, Dr. Carneiro Pacheco. The Right Hon. Lord Lloyd of Dolobran, Chairman of the Executive Committee of the British Council, who had come to Portugal on purpose to inaugurate the Institute, and Sir Walford Selby, the British Ambassador to Portugal, also attended the ceremony.

The Budget for 1939 was published on December 30, and showed a surplus of nearly 20,000*l.* : for works of development and national defence, more than seven million pounds have been allotted.

On December 24 President Carmona received at the hands of Sir Walford Selby, with imposing ceremonial, the Grand Cross and Collar of the Order of the Bath, which King George VI had bestowed on him.

The year was good for Agriculture ; the vintage was abundant and of good quality.

Imports diminished from England, Germany, the U.S. of America, Italy, Spain, Holland, Brazil, and Denmark, and increased from France, Sweden, and Norway. Exports increased to Germany, Italy, Brazil, Sweden, and Norway, and diminished with other countries.

## DENMARK.

The year 1938 passed quietly in Denmark. There was no General or Municipal Election, and power remained in the hands of the Social Democratic-Radical Left Coalition Government, which since the election to the Landsting (Upper House) in 1936 had commanded a majority in both Houses—the first time such a thing had happened since the Constitution of 1866 came into force.

Towards the end of August the report was issued of the Inter-Party Commission appointed in April, 1937, to consider reforms in the Constitution. The chief recommendation of the Report, which had the support of the Socialist, Radical, and Conservative Parties, but not of the Left, was that the Landsting should be abolished and a One-Chamber system introduced similar in some respects to that of Norway. The new Riksdag would consist of 205 members, of whom 68, chosen partly by the people, partly by the Riksdag itself, would form a kind of First Chamber to act as a permanent Committee, while legislation would remain in the hands of the whole Riksdag. It was proposed also to lower the franchise age to twenty-three and to make provision in the Constitution for a referendum. When the proposed reforms came before Parliament later in the year, they met with the approval of three parties, but they cannot be carried into effect until 1939 after the holding of a General Election followed by a second election and then a plebiscite.

During 1938 there was again close co-operation between the Northern countries, and several meetings took place between the respective Foreign Ministers. These culminated in July in a conference of the Foreign Ministers of the Oslo States held at Copenhagen. The Conference closed with a declaration that members of the League of Nations should no longer be bound to take part in sanctions.

In spite of an increase in trade there was considerable unemployment during the year, and in the spring there was a threat of a serious industrial dispute which, however, was averted by the two sides agreeing to allow the difference to be settled by mediation. Most of the lower-paid wage earners received an increase in pay and an industrial truce was declared for two years. In April Parliament decided to raise a loan of 50 million kr. to be spent on the importation of goods and on speeding up the acquisition of military equipment which had previously been agreed upon.

The northernmost county of Denmark, the Faroe Islands, had suffered economically owing to the Civil War in Spain, as the export of dried cod fish from the Faroe Islands to the South had stopped. In September a delegation from the Faroe Islands Lagting agreed with the Danish Government to adopt certain

measures for easing the situation. The State promised to finance public works and to create facilities for the exportation of dried cod fish to Spain, in return for which Denmark will import fruit.

In June the 150 years' jubilee of the emancipation from villenage, that is to say, the freedom of the peasantry, took place, and a very large and important agricultural exhibition, "Bellahøj-Udstillingen," was organised to celebrate the event. It was the largest exhibition of its kind ever held in Denmark, and proved a most successful event for the summer season. Many visitors from abroad came to Denmark, including a large contingent of the British peoples, who were thus able to see for themselves the high standard of Danish agriculture. Another important event that took place during the summer was the opening of the Oddesund Bridge in Jutland, the third of the great bridge-building undertakings which have been completed in Denmark during the last few years, and for which large orders were placed with British engineering firms.

There was some unrest during the year among the German minority in North Slesvig, but at no time did it become serious. Denmark felt profoundly relieved when the danger of a European war was averted at Munich, but one of the leading papers, the *Berlingske Tidende*, expressed some apprehension about the results of the agreement. Danish determination to observe strict neutrality was emphasised more than once by the Prime Minister, Hr. Stauning, and the Foreign Minister, Dr. Munch.

During the debate on finance legislation in the autumn, Pastor Schmidt (the German representative in Parliament) suggested that Denmark should contribute to the general understanding between nations by seeking the co-operation of the other Northern States so that together they could promote a better understanding between Germany and the British Empire. The Foreign Minister, Dr. Munch, replied that, much as he appreciated the motive behind his suggestion, and ready as Denmark always was to further understanding between nations if any opportunity arose, he did not think that it was possible for Denmark or the Northern countries to influence the relations between the two great countries mentioned, or that their efforts would be welcomed.

At the end of September the Government was freely criticised in the Press for its alleged apathy in regard to air defence and air-raid precautions. The Conservative Party at the same time called for an increase in the strength of the fighting services. In reply, Hr. Stauning announced in the Riksdag on October 14 that a Parliamentary Committee would be appointed to consider defence, Scandinavian co-operation, and the League of Nations.

Economically and financially 1938 was not a bad year for Denmark. The stock of foreign currency rose by about 50 million kr. The corn harvest was the largest for many years. The number of employed averaged 20,000 more than in 1937.

The index figures for industrial production showed that in spite of fluctuation there was slight progress as a whole and the decrease in the freightage rate stopped.

#### SWEDEN.

The Coalition Government representing the Social Democrat and Peasant Parties, which has been in office since the autumn of 1936, continued in power under Mr. Per Albin Hansson as Prime Minister. A vacancy in the Cabinet was caused in December by the death of the Minister of Defence, Mr. Janne Nilsson, one of the Peasant Party representatives. This was made the occasion for a slight reshuffling. The post of Minister of Defence was filled by a Social Democrat, Mr. Per Edvin Sköld, previously Minister of Commerce. He was replaced by the former Minister for Social Affairs, Mr. Gustav Möller, who has in recent years been responsible for the working out and carrying through of important social reforms. The Ministry of Social Affairs was in turn taken over by Mr. Albert Forsslund, Social Democrat, whose post as Minister of Communications was filled by a newcomer to the Cabinet, Mr. Gerhard Strindlund, representing the Peasant Party.

The net result of these changes was that the Coalition parties kept their numerical representation in the Cabinet unchanged, with eight Social Democrat and four Peasant Party Ministers.

The only elections of political importance during the year were those to the Provincial and certain City Councils in September. By these Councils the members of the First (Upper) Chamber are elected. The result of these elections was a marked success for the Social Democrats. As the Upper Chamber is renewed by one-eighth each year, the Social Democrat Party will attain an absolute majority in 1941; the party already controls half of the seats in the Second (Lower) Chamber.

For the other member of the Government Coalition, the Peasant Party, the September elections brought some disappointments, and certain doubts about the political expediency of continuing in co-operation with the Social Democrats were consequently voiced within the party.

At the end of 1938 the party position in the two Chambers of the Riksdag was as follows :—

	<i>Upper Chamber.</i>	<i>Lower Chamber.</i>
Social Democrats . . . .	69	115
Conservatives . . . .	41	44
Peasant Party . . . .	24	36
People's Party (Liberal) . .	15	27
Socialist Party . . . .	1	3
Communists . . . .	—	5

The Budget Estimates presented at the opening of the Riksdag presented a novel feature in its arrangement of the various items. A strict division is for the future to be made between the estimates for current expenditure and those for capital expenditure; on the income side a corresponding division is to be made between revenue from taxes, duties, and other ordinary sources, and proceeds from loans and capital resources. In practice there will be presented two Budgets, one for current expenditure and income, the other for capital outlay and revenue therefrom. The total of the Budget Estimates for the financial year 1938-9 was 1,436,000,000 kr., an increase of some 120 million kr. on the previous year.

Another innovation in the financial sphere was the introduction later in the session of a special emergency Budget, empowering the Government to undertake certain measures intended to counteract an economic depression if signs of such should make themselves felt in the course of the financial year. The aim was to render possible a rapid increase of public capital investment if the general economic trend should become such as to render this desirable. For this purpose grants were requested for public works totalling 257,000,000 kr. Most of these works were of such a character that they would in any case have to be carried out in a not too distant future. During 1938 the emergency grants were not utilised, as after a passing phase of regression in the latter part of the year business conditions generally showed decided improvement. In certain industries, above all those concerned with timber and timber products, a decline was noticeable, but on the whole employment in Swedish industries was good throughout. Foreign trade showed little reduction.

Although at the beginning of the session a pause in social legislation was foreshadowed, several measures of important social legislation were carried through, chief among them being the introduction of a fortnight's compulsory holiday with pay for all private and public employees. Hours of work at sea were regulated by a special law. The laws concerning mining rights were subjected to a revision by which the State is acknowledged as owner of a half share in all mineral claims made within the country, the landowner's rights—apart from compensation for the value of the land—being limited to a small royalty for twenty years on the value of the ore extracted.

In consequence of general international developments Sweden's relations to the League of Nations and to other countries became the subject of grave consideration.

At a meeting of the Committee of Twenty-eight on the question of reform of the League Covenant in January, 1938, the Swedish delegate, Mr. Östen Undén, stated that in the view of the Swedish Government the Sanctions Article of the Covenant had lost its

automatically binding character through not being applied in practice ; the same was true of economic sanctions also. Consequently, the Swedish Government would reserve to itself liberty to decide whether to take part in future sanctions or not. This attitude won the approbation of all parties of the Riksdag when the problem was debated on June 1. A minority urged that Sweden should at once seek the formal acknowledgment at Geneva of this policy, but by a majority vote it was left to the Government to choose the appropriate moment for doing this.

When the Foreign Ministers of the four Northern countries, together with those of Belgium, Luxemburg, and Holland, met at Copenhagen on July 3, the view was unanimously accepted that by the practice followed in recent years the system of sanctions had acquired a non-obligatory character. This non-obligatory character of the sanctions was declared to apply not only to one particular group of states but to all members of the League. The view was expressed that it would be in the interest of the League itself if this liberty of action were formally acknowledged.

At the autumn session of the League Assembly declarations on these lines were made in the Assembly and in the Committee charged with these matters.

Bound up with these claims for liberty of action in regard to economic sanctions were the repeated announcements made during the year that the sole aim of the Northern countries in international politics was to preserve their neutrality in the event of a European conflagration. This aim was given expression at a meeting of the Foreign Ministers of the Northern states at Oslo on April 5 and 6 in the statement that now as hitherto the Northern countries should and would keep themselves outside any Power groupings which might be formed in Europe, and in the event of a war between such groups, would do all in their power in order not to be involved in such a war.

Co-operation between the Northern countries proceeded in several directions. One practical result was the agreement signed at Stockholm on May 27 by which more or less identical neutrality rules, drawn up in co-operation, were accepted by the five Northern countries. Important work was begun on the problems of distribution of raw materials in critical international situations. Finally, the possibilities of limited military co-operation, particularly in regard to the air defence observation service, were to some extent explored. In the economic field Northern co-operation continued on lines already developed. The chief organs of this co-operation are the so-called Northern Economic Delegations.

On the initiative of Finland conversations were begun in the spring regarding the neutrality of the Aland Isles. At the end of the year these had proceeded so far that proposals

had been framed for laying before the signatories of the Åland Convention of 1921 regarding neutralisation and remilitarisation of the islands early in the coming year. The main points of these proposals are :—

The neutral character of the islands is to be preserved, but the southern limit of the neutralised territory is to be modified in order to leave certain outer islands and skerries outside. On these Finland is to be allowed to erect certain coast defences. The demilitarisation rules are to be modified to some degree, permitting Finland to make certain military arrangements for a period of ten years, for instance, stationing mobile coast artillery units and a number of air defence batteries on the main island, making preparations for mine laying, etc., all such measures to be of a strictly defensive nature. The small defence force to be stationed on the islands would be composed of conscripts from the islands commanded by officers drawn from the Swedish-speaking parts of Finland, and the language of command would be Swedish ; by these last regulations a guarantee against denationalisation of the islands (which are pure Swedish in character) would be created.

In accordance with the importance ascribed by the Northern states to international treaties it was repeatedly explained that the two countries have no intention of altering the status of the Åland Isles without agreement by all the signatories of the Åland Convention. It was also stressed on various occasions that their only aim in the matter was to safeguard the continued neutrality of the islands.

During the greater part of the year Sweden was represented on the Chairman's Sub-Committee of the Non-Intervention Committee, but on November 20 gave notice of its withdrawal from that body, although still remaining in the main Committee. In a speech on December 8, Mr. Sandler explained that the reason for this step on the part of the Swedish Government was the tendency, which had become increasingly evident, to treat the Spanish question as a matter concerning only the Great Powers. It would not be in conformity with the Swedish policy of neutrality to become mixed up in these deals.

In view of the need for safeguarding the interests of Swedish subjects in the area controlled by General Franco, the Swedish Government concluded an agreement with the Franco Government for mutual representation by officially recognised agents.

Already in January, 1937, a new Swedish Minister to Rome had been appointed, but he had been unable to take up his post because, in the opinion of the Swedish Government, it was for the League of Nations collectively to decide on the Italian claim that the credentials of foreign envoys were to be addressed to the King of Italy and Emperor of Abyssinia. Immediately the question had been settled by the resolution of the Council



of the League at its May meeting, this anomaly in the relations with Italy was removed.

The conversations entered into with Great Britain for the inclusion of Sweden and other Northern countries in the system of naval agreements inaugurated by the London Agreement of 1936 were in part conducted collectively on the part of Sweden, Denmark, Finland, and Norway, and led to an agreement which was signed on December 21, and in which special regard is paid to the position of these countries.

The common desire to preserve a position outside any ideological or other blocks in Europe found repeated expression during the year, and was actively demonstrated by a rapid acceleration of defence preparations. Considerable increases in the defence grants had already been provided for in the ordinary Budget, and at the beginning of its session the Riksdag had before it extensive proposals for the strengthening of the various branches of defence. When these came up for final discussion in the Chambers of the Riksdag soon after the Austrian *coup*, the Prime Minister announced that the growing European insecurity had impelled the Government to inquire whether certain additional immediate measures ought not to be undertaken. He therefore asked that certain items in the original proposals should be referred back to Committee to be redrafted; these included designs for new naval vessels, the provision of technical equipment for the Navy, the training arrangements for the Air Force, mobilisation arrangements, etc. The Prime Minister's announcement was immediately followed by declarations by all the party leaders, expressing satisfaction with the decision of the Government, and assuring them of whole-hearted support.

The revised defence proposals passed towards the end of the session entailed an increase in defence grants of 70,000,000 kr., chiefly to be applied to the acquisition of technical equipment, and to be raised in the main by increased taxation.

During the September crisis certain preparatory measures for the protection of Swedish neutrality, should the necessity arise, were carried through. The conscripts due to be released after their period of training were kept under the colours, and naval and air forces were kept in a state of preparation. The crisis had remarkably violent repercussions on the Stockholm Stock Exchange, only, however, of a very temporary nature.

King Gustaf V's eightieth birthday on June 16 was the occasion of nation-wide celebrations in which all classes of the population whole-heartedly joined to give expression to their feelings of affection and veneration for the monarch who, during his thirty years of reign, has grown to become the very symbol of Swedish national unity. The heads of the three neighbouring states, in the persons of King Christian of Denmark, King Haakon of Norway, and President Kallio of Finland, came to Stockholm to convey the congratulations of their peoples.

## ICELAND.

At the Municipal Elections held on January 30 the Independence Party gained one seat at the expense of the Socialists. In June, Herr Hédinn Valdemarsson, a prominent Socialist, was expelled from the party on the ground that he had been intriguing with the Communists. About the same time Herr Haraldur Gudmundsson, the Socialist member of the Cabinet, resigned because compulsory arbitration had been used to settle a trawler strike and a shipping strike which had broken out. His place was taken by a Progressive, Herr Skúli Gudmundsson. In August a Committee of seven was appointed to consider what should be done in the event of war to provide against a shortage of necessities, and on September 28 an Emergency Act was passed, giving the Government authority to adopt certain measures necessary for the control and distribution of foodstuffs and other necessities.

## NORWAY.

Mr. Nygaardsvold's Labour Government, although without a majority in the Storting, remained in power throughout the year, being supported partly by the Liberals, partly by the Farmers' Party. The possibility of forming a National Government, including representatives of the four big parties, was mentioned by the Premier in a speech on July 4. The speech caused considerable discussion in the Press, but a resolution passed by the National Executive of the Labour Party stated that the formation of a National Government was not now a practical issue.

On January 10 the National Executive of the Labour Party rejected a proposal from the Communist Party for the fusion of the two parties. At the same time the Executive decided to put to the vote of the members of the Labour Party a resolution in favour of joining the Second International. The resolution was approved of by 90 per cent. of the voters.

The Storting met on January 11, Mr. C. J. Hambro (Conservative) was re-elected President, and Mr. Magnus Nilssen (Labour Party) Vice-President. The Presidents and the Vice-Presidents of the Lagting and the Odelsting were also re-elected. On the following day the formal opening of the session took place, the Speech from the Throne being read by the King. In reviewing domestic affairs, the Speech struck an optimistic note, stating that the year 1937 had, on the whole, been favourable to the economic life of the country. Unemployment had been lower than in any year since 1930, and the conditions of industry and agriculture as well as of shipping and whaling had steadily improved. Unemployment, however, still persisted, and the

fishery industry was in need of financial aid. The grants under the so-called "crisis measures" were consequently fixed in the Budget at 69,700,000 kr. as against 67,200,000 kr. in the previous year. As for international affairs, the Speech from the Throne referred to the gravity of the international situation and the failure of the League of Nations to prevent tension among the great Powers. The aim of the Government's foreign policy was to keep Norway out of war, and to safeguard the peaceful activities of the nation.

The Budget Estimates for the financial year 1938-39 amounted to 563,000,000 kr., or 30,000,000 kr. more than in the previous year, an increase mainly due to grants for the construction of new roads and railways.

In the debate on the Speech from the Throne, Mr. Hambro, on behalf of the Conservative Party, moved a vote of censure. He held that the policy of the Government necessitated an expenditure which in the long run would ruin the economic life of the country. On the other hand, he considered the provision for national defence insufficient. His motion was defeated by 110 votes to 33, only the Conservatives voting for it.

The question of national defence was one of the chief problems facing Parliament during 1938. In the Budget, the grants for the Army and Navy were unchanged from the previous year, and the period of military training was fixed, as before, at 72 days. During the debate on the King's Speech, the Government's defence policy was strongly criticised by representatives of all the Opposition parties. On the proposal of Mr. Mowinckel (Liberal), negotiations were opened between representatives of the Government and of the other parties in the Storting. As a result of these negotiations, the military training period was extended to 84 days, and, opposed by only 6 votes (from the pacifist section of the Labour Party), the Government, on April 1, was authorised to raise a defence loan of 52,000,000 kr. Of this sum, 35,000,000 kr. were to be spent on the improvement of the military defences, and 15,000,000 kr. on safeguarding the country's food supply and raw materials in case of war.

On April 5 the Storting passed an amendment to the Constitution, extending the parliamentary period from 3 to 4 years. The next General Election will take place in the autumn of 1940.

In June the Storting passed a Bill permitting the appointment of women to State offices. According to an Act of 1912, women could not hold diplomatic, ecclesiastical, or military posts. This law was now abolished with the one reservation, that women may be appointed to the ministry in the State Church only with the consent of the local parochial council.

In the sphere of social politics, the most important Bill passed by the Storting in 1938 was for the introduction of compulsory insurance against unemployment. The new Act of June 24

provided that all employees with wages below 6,000 kr. (except those employed in agriculture, forestry, or fishing), must contribute to compulsory insurance against unemployment. The expenses of the scheme were estimated at 24,000,000 kr. per annum, the employers and the employees contributing 8,000,000 kr. each, and the State and the municipalities 4,000,000 kr. each. The subsidies would vary in different classes according to the ordinary wages from 0.80 to 4.00 kr. a day for unmarried persons. Additional grants for children may amount to 1.50 kr. per day. Under certain conditions insured people might receive State aid for the organisation of supplementary insurance funds. Unemployment insurance was placed under the control of a Central Board, and with local committees in every municipality.

On June 25 the Budget for the financial year 1938-39 was finally adopted by the Storting, estimating a total expenditure of 568,000,000 kr. The State accounts for the year 1937-38 showed a net surplus of 36,600,000 kr.

On various occasions throughout the session, the Storting dealt with the neutrality of the country, and particularly Norway's obligations as a member of the League of Nations. In March, Mr. Mowinckel (Liberal) moved that "the Storting supports the Government in their efforts at making clear and getting recognised our right as a member of the League of Nations to remain neutral in any war which does not directly affect Norway." This motion was submitted to the Committee for Foreign Affairs for further examination. On May 31 the Storting unanimously adopted the following motion, proposed by the Committee: "In accordance with the statement in the Speech from the Throne that it must always be the aim of Norwegian policy to keep this country out of military entanglements, the Storting insists on Norway's right to observe unconditional neutrality during any war which is not endorsed by Norway herself as an action of the League of Nations." At a conference in Copenhagen on July 25, this interpretation of the League Covenant was agreed upon by the Foreign Ministers of the Oslo Powers. On behalf of the Norwegian Government, Dr. Halvdan Koht, the Foreign Minister, laid it before the Assembly of the League on September 16.

On April 6-8 the Foreign Ministers of the Northern countries met in Oslo. The *communiqué*, published after the meeting, again expressed the desire of the Governments concerned to keep out of armed conflicts between the Great Powers, and to continue and strengthen their co-operation towards this goal. New uniform neutrality rules, replacing the neutrality declarations of 1912, were examined, and the Ministers agreed to recommend to their Governments the adoption of the new regulations. Representatives of the Governments of the four Northern states and of Iceland signed a declaration to this effect in Stockholm

on May 28. The new rules, like the old ones, are based on The Hague Convention of 1907. The conference at Oslo also expressed the desire to carry on the negotiations with the British Government about the adhesion of the Northern countries to the main principles of the London Declaration of 1936 regarding the limitations of naval armaments.

On May 9-11 representatives of the Oslo Powers met at Oslo to discuss the prolongation of the so-called Hague Arrangement (*vide* ANNUAL REGISTER, 1937, pp. 251-52), signed in the spring of 1937 for the period of one year. Owing to the deterioration of international economic conditions, the conference found it impossible to renew the Hague Arrangement. The delegates, however, expressed the desire of their Governments to continue the economic collaboration initiated by the Oslo Convention of 1930. They also signed a declaration stating their Governments' intention to resume their collaboration for the purpose of reducing the obstacles to their mutual trade as soon as international economic conditions improve.

On May 27 the Government recognised the Italian conquest of Abyssinia. The Norwegian Minister in Rome announced to Count Ciano that from that day on, he was considered by his Government as accredited to the "King of Italy and Emperor of Abyssinia."

At the beginning of August the Foreign Minister of Poland, M. Joseph Beck, paid an official visit to Oslo, returning Dr. Koht's visit to Warsaw in April, 1936. It was officially stated that M. Beck's visit had no political significance.

Trade difficulties with Nationalist Spain, and frequent seizures of Norwegian ships by the Franco authorities, induced the Government to appoint a diplomatic agent to General Franco in November. It was, however, made clear that this measure did not imply recognition of the Burgos Government, either *de jure* or *de facto*.

The Munich Agreement received close attention in the Norwegian Press. Whereas Conservative journals stressed the fact that war had been averted, and suggested that Mr. Chamberlain should be awarded the Nobel Peace Prize, Liberal and Socialist papers pointed out the probable consequences of the "Munich method" for the small countries. But public opinion did not necessarily follow party lines. The Parliamentary leader of the Conservative Party, Mr. Hambro, in a Press interview on October 5, characterised the Munich Agreement as a "violation without precedent in civilised history," and strongly criticised the fact that Czechoslovakia had not been invited to take part in the negotiations.

Addressing a public meeting on October 30, the Foreign Minister, Dr. Koht, gave an account of his activities at the League of Nations during the September crisis. He felt that it would be

a defeat and a dishonour to the League, if it did not, in some way or other, endeavour to solve the Sudeten-German question in peace and justice. After several vain attempts to find support for his views, Dr. Koht submitted a motion to the Assembly, urging that the Sudeten-German conflict should be solved in peace and without threats of violence. This resolution was unanimously passed on the very day when the Munich Conference took place.

A conference of delegates, representing the various branches of the Trade Union International, was opened in Oslo on May 16 by its President, Sir Walter Citrine. The Federation of Trade Unions of Soviet Russia had approached the Executive Committee with a view to adhering to the International under certain conditions. The Executive, however, found these conditions unacceptable, and the Russian proposal was rejected by the conference by 16 votes to 4, with one abstention. A proposal by the French delegate that negotiations with the Russian Trade Unions should be resumed, was rejected by 14 votes to 7. Two resolutions were adopted, one concerning the international situation, urging that the Trade Unions should work for the nationalisation of the armament industries, the other expressing sympathy with the Mexican Government in the oil conflict with Great Britain.

On November 20 Queen Maud died in a London hospital. Her loss was deeply felt by all classes of the Norwegian community. Although she always remained in close contact with her native country, the Queen was strongly attached to Norway and the Norwegian people. The coffin was taken to Oslo on board the British battleship H.M.S. *Royal Oak*. The burial took place in the chapel of the old castle of Akershus in Oslo.

#### FINLAND.

In opening the session of the Diet on February 2 the President, Hr. Kallio, referred with satisfaction to the way in which Finland's parliamentary system had worked during the past few years. The position of the country had been strengthened both internally and externally. The number of independent farmers had greatly increased. The value of crops had doubled, and industrial production had trebled during the past twenty years. Large sums had been invested in progressive enterprises, and the State had purchased great industries, forests, water and other natural resources which had previously been in foreign possession. All these undertakings had been managed with success by the State on the same lines as private enterprises, and had been subject to the same legal obligations. The external debt had been reduced; in 1932 the interest paid to foreign

creditors had been Fm. 3,341,000,000, whereas in the current year it would amount to only Fm. 70,000,000.

The President concluded by remarking that Finland was faithful to the guiding principles of the League of Nations, but it was still necessary for them to defend their rights, and therefore Finland must be adequately armed. For this purpose the Government on March 24 laid a Bill before the Diet providing for a total sum of Fm. 2,710,000,000 (about 12,000,000*l.*) in the form of credits covering a period of seven years, commencing with 1938. The expenditure was to be at the rate of Fm. 460,000,000 in 1938, Fm. 400,000,000 yearly from 1939 to 1943, and Fm. 230,000,000 in 1944. For meeting the expense the income and property tax was to be raised by 20 per cent. The Bill was passed by the Diet on May 4.

An agreement was reached in the course of the year with Sweden to fortify the Aaland Islands (*vide* Sweden). In November Dr. Holsti, the Foreign Minister, resigned on account of ill-health, and he was succeeded by Hr. Eljas Erkkö, also a member of the Progressive Party. On December 1 the Court refused to confirm an order made by Hr. Hekkonen, the Minister of the Interior, to disband a Right Wing Party known as the Patriotic National Movement, although evidence was brought to show that this body was continuing the activities of the old Lapua movement which had been proscribed. The Court also pronounced unlawful the Minister's prohibition of the publication of eighteen newspapers, on the ground that this was a matter for the Minister of Justice.

In July it was announced that the Finnish Olympic Committee had accepted an invitation to organise in Finland the Olympic Games for 1940, which it was originally intended to hold in Tokio.

## CHAPTER VI.

THE MIDDLE EAST : IRAN—AFGHANISTAN—IRAQ—PALESTINE—  
SYRIA AND LEBANON—ARABIA.

### IRAN.

THE month of August witnessed the completion of the Trans-Iranian railway, running from Bandar Shah on the Caspian Sea to Bandar Shapur on the Persian Gulf, a total distance of 808 miles. Work on the railway had been begun in 1927, and its total cost was stated to be 28,500,000*l.*, an average of 35,000*l.* per mile. It had been carried out by a number of foreign companies, German, American, British, Scandinavian, Italian, Belgian, and French. The financing of the railway, however, had been

entirely from internal resources, largely a monopoly tax on tea and sugar ; it was thus a symbol of Persian independence. The railway touched only one important town—Teheran—and ran largely through desert country ; its importance for the present, therefore, was much more political than economic.

At the end of the year Iran broke off diplomatic relations with France on account of punning references to the Shah made in the French Press in connexion with a cat exhibition in Paris. For a similar reason Iran had refused to take part in Paris International Exhibition of 1937.

#### AFGHANISTAN.

In June a number of Wazirs from South and West Waziristan crossed the Afghan frontier with the object of looting and of stirring up a rising against the reigning Afghan House. This movement was the result of an agitation carried on for some months in Waziristan by one Syed Mohamed Sadi, commonly known as the Shami Pir (Syrian imam), a priest from Damascus whose family was connected with the ex-King Amanullah. A rebellion broke out in South-East Afghanistan, headed by the Suleiman khel, and the number of the insurgents soon rose to 2,000. The Government, which had been watching the activities of the Shami Pir, were not taken unawares, and quickly sent to the scene of the disturbances two brigades with ten aeroplanes, which were soon after reinforced by two more brigades. The insurgents were defeated in two battles on June 22 and 24, and the revolt soon came to an end.

Early in the year treaties of friendship were concluded with Liberia and with Brazil, and the treaty with Turkey was extended for ten years. On the other hand, on the proposal of the Soviet Government, the Afghan consulates in Russia and the Soviet consulates in Afghanistan were closed.

#### IRAQ.

Iraq was fortunate in being practically without a history during the year 1938. The visit of the Foreign Minister, Taufiq Suweidi, to London, at the invitation of the British Government, to discuss the possibility of a settlement in Palestine, was gratifying both by the recognition it gave of Iraqi interest in Palestine, and by the relief the prospect of a satisfactory settlement gave to the pressure on the Iraqi Government of a large proportion of its subjects.

On December 26 the Cabinet of Jamil Midfai suddenly fell and was succeeded immediately by one under General Nuri es Said, who had previously been Prime Minister, and had held important offices in a number of Cabinets. The first action of



the new Government was to authorise the return of the many politicians who had been exiled by previous Governments.

Earlier in the year, on March 6, the Frontier Treaty with Iran was ratified by the Iraquian Parliament. The question of the Assyrian refugees seems to have been settled. Those who had remained in Iraq spent a year without incident: those who had settled in Syria lived undisturbed, free to devote themselves to their normal pursuits.

The national finances continued to show themselves in a very satisfactory state. The Budget, approved in April, showed a surplus of 203,000*l.* after a considerably increased expenditure on education. At the same time a long-term plan for military extension was approved, and also a programme of public works which is to cost 8,250,000*l.* in all.

#### PALESTINE.

The year 1938 was again an historic and also a very disturbed one in Palestine. It opened in the midst of an Arab rebellion which after becoming more intense and in the course of which the casualties—British, Jews, and Arab—were counted by the thousand, began to die away towards the end of the year. There were two obvious causes of this improvement. The one was the greater and more determined activity by a largely reinforced British Army: the other was the final abandonment by the British Government of the threatened policy of Partition. This policy received its *coup de grâce* at the hands of a technical commission under the chairmanship of Sir John Woodhead which had been sent to Palestine by the Government to advise on the details of Partition. It reported in effect that its mission could not be fulfilled and that no scheme for the Partition of Palestine was practicable. The Government, whose enthusiasm for the policy had visibly diminished with the resignation of the Colonial Secretary, Mr. Ormsby-Gore (Lord Harlech), in the summer, immediately accepted this conclusion. It announced that representatives of the Jewish Agency, of the Arabs of Palestine, and of the Arab states would be invited to meet representatives of the British Government, Jews and Arabs separately, and later at a three-party conference. If such a conference failed to reach an agreement within a reasonable time, the Government announced that it would enforce its own settlement. The Mufti of Jerusalem, who was held partly responsible for the revolt and the atrocities that accompanied it, would not it was announced be accepted as a delegate, but no other Palestine Arab was rejected, and in order that the choice of the delegates might be free the leaders who had been exiled to the Seychelle Islands were released, but not permitted to return to Palestine.

To such lengths did the rebellion go that for a time a large

part of Palestine, including towns such as Jaffa and Hebron, passed completely out of the control of the Government and had to be reconquered. The rebels in the field were never numerous, but they had the sympathy and to some extent the support of the great majority of the Arabs of Palestine and also of the neighbouring lands. There were, however, some prominent opponents; for the most part they were, it would seem, personal rather than political, and many of these suffered severely even to the extent of murder at the hands of the rebels.

The invitations to take part in the conference were accepted by the Governments of the Arab states where the move was welcomed as pointing towards a settlement of the long-drawn-out Palestine problem. The Foreign Ministers of Egypt and of Iraq, and also the son and representative of the King of Saudi-Arabia, had been in London before the Government's decision was announced, and had discussed the possibility of a settlement with members of the British Government. Mr. MacDonald, the Colonial Secretary, had also paid a short surprise visit to Jerusalem in August, and in October, the High Commissioner, Sir Harold MacMichael, came to London to continue the discussions. Other Governments, especially those of Poland and the United States of America, showed an interest in the matter. The former, desirous of a large Jewish emigration from its territories, is anxious that any decision should carry with it the maximum opportunities for Jewish settlement in Palestine. The United States Government reached the same end in response to the demands of public opinion, both Jewish and general, and they let it be known that they would welcome as generous a Jewish immigration into Palestine as was possible. Debate in both Houses of the British Parliament showed a greater understanding of the Arab case than had previously been noticeable.

Perhaps the most important foreign movement with regard to Palestine was the Pan Arab, to some extent Pan Moslem, congress held in Cairo on October 7 and the following days. There had throughout the year been strong pro-Palestine Arab demonstrations in Egypt, Syria, and Iraq, and the respective Governments had at times difficulty in dealing with them. Debates in the Iraquian and Egyptian parliaments were avoided with difficulty. In Syria, however, the Parliament at the end of April declared unanimously "its resentment at the exceptional situation and the present state of Palestine, resulting from the Balfour Declaration, and the Partition Scheme." The pressure in favour of an Arab Congress was therefore considerable, and when it met, delegates, including the Presidents of the Syrian and Iraquian chambers of deputies and a son of the ruler of the Yemen, came from all over the Arab world. Allouba Pasha, a former Egyptian Minister of Education, was the chairman of the Congress. The Wafd opposition in the Egyptian Parliament boycotted it, not

through lack of sympathy with its objects, but on account of objection to the Egyptian representation. The resolutions adopted were relatively moderate, more extreme amendments being defeated or withdrawn. They called for the acceptance of the official Arab programme, the creation of an Arab national state, the prohibition of further Jewish immigration, and guarantees for the Jewish minority. As a recognition presumably of this moderation, the members were subsequently received by the King of Egypt, and also by the Prime Minister. The Congress was followed by one of Arab women, Christian as well as Moslem, which adopted a similar programme.

In the meanwhile the subject of Jewish immigration aroused much discussion and feeling. One of the principal demands of the Arabs was that all immigration of Jews should cease, partly from fear of a threatening Jewish majority in the population, partly on economic grounds. The Jews on their part demanded an even larger Jewish immigration under the pressure of the sufferings of the Jews in Central and Eastern Europe and the expulsions of the Jews from those countries, for reasons of politics and prestige, and for economic reasons, the suggestion being that the unsatisfactory economic position of Palestine was due to the reduction in the flow of immigrants. The Royal Commission had recommended as a part alternative to Partition the limitation of the volume of Jewish immigration to 12,000 a year for at least five years, and the British Government decided to accept this recommendation, at any rate for the time being.

A relatively minor trouble of Palestine was the state of the fabric of the Church of the Holy Sepulchre which, becoming progressively worse, necessitated the closing of the building as a dangerous structure immediately before Easter, when it should have been filled to overflowing with excited worshippers. Successive earthquake shocks had given warnings which were, however, without effect. None of the several Christian communities would permit a rival to undertake the repairs and thereby increase its rights, nor had most of them the large funds required available. The Government, a neutral body, on its part was not prepared to face the objections of its Moslem and Jewish taxpayers to the expenditure of their money on a Christian church, and moreover the increasingly large deficit in the State Budget in effect prevented it from making any large grant if it wished to do so, towards the repairs. There was at one time, some talk of an international fund for the purpose, but this suggestion obtained little more than a mention. In July a draft ordinance providing a new Constitution for the Orthodox Patriarchate was published. When this becomes law, the deadlock that has existed for some years since the death of the Patriarch Damianos should be resolved and the election of a new Patriarch rendered possible.

## SYRIA AND LEBANON.

In the history of Syria during the year 1938 the controversy that arose around the Sanjak of Alexandretta and its settlement occupied the first place, before even that of the still unratified treaty with France. The trouble arose out of the mixed character of the population in which no nationality has a majority. Of all the minorities, however, the Turkish is the largest. The settlement took the form of an autonomous administration, more or less in reality, nominally within the framework of the Syrian state. This settlement was confirmed in an agreement between the French (the protectors of Syria) and the Turkish Governments which was signed on July 4, by which, moreover, the preponderating influence of Turkey in the Sanjak, or Hatay as it was henceforth known, was acknowledged. The settlement gave more satisfaction in Paris than in Damascus where it was considered that Syrian interests had been sacrificed, and was accepted almost under Turkish threats. The League of Nations, moreover, was treated with scant courtesy since it had sent a Commission with the approval of both Turks and French to the Territory to supervise elections on which a decision was to be based, but which were never held. The Commission was in fact withdrawn on the demand of the Turks. The explanation of this discourtesy, to use a moderate term, was the promise given in advance by the French to the Turks that they should have a majority in the Assembly that was to be elected, and the subsequent discovery that it was impossible to fulfil this promise if a free election were held.

This settlement was reached only after a period of considerable disturbance in which there were a number of casualties, and French and also Turkish troops had been brought into the district. There was also a considerable amount of friction between the two Powers. The settlement was part of a larger one between France and Turkey, and formally acknowledged the preponderance of Turkish interests in Hatay without, however, giving Turkey any territorial claim. After the signature of the agreement a legislative body was appointed in which the Turks were given the majority. This body at once resolved that Hatay is a republican State with an effective Turkish majority.

This unrest and unsettlement in Alexandretta reacted in other parts of Syria. There were riots in Damascus and Antioch in May in which, as a rule, Turks were the aggressors, and a few days later strikes and demonstrations throughout Syria in protest against the Turkish claims. In the course of these demonstrations bombs were thrown in Damascus at the Syrian Prime Minister, Jemil Bek Mardam, who was considered not to be sufficiently emphatic in his support of the Syrian claims. On October 23 the appointment of a new High Commissioner in

the person of M. Puaux, a professional diplomatist, in place of the Comte de Martel, was announced, and simultaneously a long step was taken in the direction of a full agreement between France and Syria which had been somewhat impaired by the Alexandretta dispute. The treaty granting Syria independence was still unratified. The Alexandretta settlement necessitated some alterations in it. It was also agreed that until the Syrian Army was large enough and competent to defend the frontiers an un-reduced French garrison must remain in the country. The Jezireh region, largely Kurdish, it was agreed should be under a Franco-Syrian condominium with a status somewhat similar to that of the Sudan. Another feature was a *bon voisinage* treaty between Turkey and Syria, so as to remove the risk of incidents. Minor matters such as minority rights and economic questions such as the Bank of Syria and the oil concession were satisfactorily settled. A supplementary treaty covering these points was signed in Paris on November 15. Syria, whose Parliament was influentially represented at the Pan-Arabian Congress at Cairo, showed much interest in the Palestine troubles and resented its omission, apparently at the instance of the Government of France, from the Arab states invited to participate in the discussions regarding the future of that country to be held in London.

On May 16 a plot to overthrow the Government of the Lebanon, and to substitute for it a purely French one, was discovered in Beirut, and some fifty arrests were made. Arms and munitions were also seized.

#### ARABIA.

The year 1938 was on the whole a quiet one in Arabia. In Saudi Arabia the one outstanding event was the visit of Princess Alice and the Earl of Athlone, the first English, probably European, princes to visit the country. They were given a most friendly reception by both King and people, and drove across the peninsula. Like the other Arab rulers, King Ibn Saud took an interest in the prospective settlement of the Palestine troubles, and showed himself in general agreement with his fellow-rulers in the steps taken.

The dispute between the Aden Protectorate authorities and the Imam of the Yemen was settled in September, but later in the same month the mutual relations were again strained by a Yemeni invasion of the Hadramaut, which is under British protection, and the occupation of Shabwa. The invaders withdrew after an ultimatum had been sent. The rumours current in the previous year of a treaty between Italy and the Yemen were confirmed. The treaty of friendship which had been signed on September 4 was published in Rome on January 10. In this

instrument the Italian Government confirmed their recognition of the full and absolute independence of the Yemen, and undertook not to interfere in any way in its affairs. The Government of the Yemen declared their wish to continue to obtain technical material and personnel from Italy, and the Italian Government undertook to supply them. The treaty was to last twenty-five years.

By the Anglo-Italian agreement of November the independence and integrity of Saudi Arabia, and the Yemen were guaranteed, and both Governments undertook not to fortify or establish sovereignty over certain islands in the Red Sea. Italy also pledged herself not to seek political influence in Arabia east or south of Saudi Arabia and the Yemen.

## CHAPTER VII.

### THE FAR EAST : CHINA—JAPAN

#### CHINA.

THE Japanese invasion of China, which commenced in July, 1937, and had already in that year reached the Yellow River and Nanking, made further considerable progress in 1938. The Chinese forces suffered serious reverses, and by the end of the year the invaders were in at least nominal possession of the whole country east of a line drawn from Canton to Hankow and along the Hankow-Peking railway. The rest of the country remained subject to the Kuomintang Government under the leadership of General Chiang Kai-shek, who was still in command of a considerable army.

At the end of 1937 Dr. Trautmann, the German Ambassador to Japan, attempted to mediate between the combatants, and conveyed a Japanese offer of peace to Chiang Kai-shek, then at Hankow. On examination the Japanese terms were found to be no more acceptable than previous offers (*vide* ANNUAL REGISTER, 1937, p. 265), and at the beginning of 1938 they were unceremoniously rejected.

Meanwhile, the Japanese had been continuing their advance along the Peking-Tientsin-Pukow railway. On January 1 they captured Taian, on the 4th Kufou, and on the 5th Yenchow. They were then brought to a temporary stop by stiff Chinese resistance in the neighbourhood of Tsining. On January 10, however, the Japanese Navy occupied Tsingtao without opposition, and on February 3 and 7 Chefoo and Lungkow, two other ports on the Shantung coast, fell to them.

Early in February the Japanese forces in Nanking began to advance northwards along the Tientsin-Pukow railway, occupying

Linhwaikwan on the 1st, and Fengyang and Pengpu on the 2nd and 3rd, and crossing the Hwai River a few days later. Their advance was then held up by Chinese counter-attacks.

Later in the same month steps were taken by the Japanese to clear Southern Shansi, where there was a Chinese army said to number half a million men. A strong resistance was put up by the Chinese at Lingshih, north of the Hankow Pass, but after a three days' battle they were routed on February 27, and fled through the pass, allowing the Japanese to occupy Hwochow, at its southern entrance. Meanwhile, the Japanese had advanced along the Peking-Hankow railway as far as Changteh, from which they turned westwards to Pingyang, south of Hwochow. They thus cut off the retreat of the Chinese, and forced them to flee westwards, into the mountains of Shensi.

About the middle of March, the Japanese resumed their southward advance along the Tientsin-Pukow railway, having as their objective the important junction of Suchow, on the Lunghai railway. The Chinese again stubbornly contested their advance, and towards the end of March recaptured a number of towns which they had taken, including the bridgehead of Taierchwang on the Grand Canal in South Shantung. Shortly afterwards Chinese troops crossed into Southern Shansi and re-occupied a number of towns on the northern bank of the Yellow River. The Chinese, however, were unable to maintain the ground thus won. Towards the end of April the Japanese troops on the southern section of the Tientsin-Pukow railway, after two months of inactivity, resumed their advance northward, crossing the Hwai and Kwo Rivers; in the northern section also they were down the Chinese resistance; and early in May the two branches of the Japanese were able to join hands in Suchow.

From Suchow the invaders turned westwards, intending to take Chengchow at the junction of the Lunghai and Peking-Hankow railways, and thence to march along the latter railway to Hankow, the seat of the Chinese Government. Before they could reach Chengchow, however, the banks of the Yellow River between that place and Kaifeng were broken—whether as the result of artillery fire or at the hands of the Chinese themselves could not be ascertained—and the floods which ensued held up the Japanese advance. About this time the Chinese Government suffered a severe loss through the recall of the military advisers lent to it by the German Government.

Being checked in this sector, the Japanese concentrated their efforts on reaching Hankow by the Yangtse valley route from Nanking. On July 2 they crossed, by means of shallow draught vessels, the Matang boom across the river, about 44 miles below Kiukiang. By July 5 they had occupied Hukow, 16 miles below Kiukiang, which commanded the entrance to the Poyang Lake, and after some fighting on land and river, Kiukiang, 138 miles

by river from Hankow, fell to them on July 26. After a lull during the hot weather in August, the advance was resumed in September, both along the Yangtse and the Peking-Hankow railway, which had by this time been reached. The Chinese made elaborate preparations to defend Hankow, and talked of razing it to the ground before allowing it to fall into the hands of the enemy; but when the Japanese forces began to converge on the town, their morale gave way, and they abandoned the whole area of Wuhan (the three cities of Hankow, Wuchang, and Hanyang, at the confluence of the rivers Han and Yangtse) and allowed it to fall into the hands of the enemy without resistance. Before leaving, the Chinese established a refugee zone under control of an International Committee, which was respected by the Japanese, so that the scenes enacted at Nanking were not repeated; but they utterly destroyed the whole of the Japanese concession, and did much damage in the Wuhan area outside of the refugee zone.

The Chinese had prepared themselves betimes for the fall of Hankow, and General Chiang Kai-shek withdrew to new headquarters farther west. A more severe, because more unexpected, blow was the fall of Canton which had taken place five days earlier (October 21). Although an attack on Canton had long been foreseen, the Japanese were allowed to land a force at Bias Bay on October 21 without opposition, and to cover the intervening 125 miles to Canton in nine days without meeting any resistance. On their approach the Chinese troops evacuated the city after doing much damage. The ease with which Canton was taken gave rise to a suspicion of treachery.

The Japanese soon made themselves masters of the railway from Canton to Hankow, by which hitherto the Chinese had obtained most of their supplies of munitions from abroad. Fortunately for them, just at this time, the road from Burma to Yunnan was completed, and by this route they were able to keep themselves supplied with the lighter kinds of munitions, though not with heavy artillery. Just at this time, too, America and England came to their help with credits. They therefore felt themselves in a position to continue the struggle, and when Japan once more renewed her offer of peace on December 22, on much the same terms as before, it was once more unceremoniously rejected by Chiang Kai-shek and the Kuomintang. There was little fighting in the last two months of the year, and the Japanese advance was carried only a short distance beyond Hankow.

The Chinese casualties in the course of the year's fighting were enormous—they were said to amount to a million, and the sufferings of the wounded were greatly aggravated by the lack of proper medical attention. But the sufferings of the civilian population far outweighed those of the fighting men. Thousands



of civilians perished in the numerous air-raids carried out by the Japanese, especially the repeated bombardments of Canton and Hankow. But by far the greatest amount of suffering was caused by the so-called "scorched earth" policy carried out by the Chinese themselves, in laying waste the country at the approach of the invaders so as to deprive them of supplies. As a result of this policy and of the devastation caused by the Yellow River floods in the summer, no less than sixty millions of Chinese were said to have been reduced to starvation by the end of the year.

On March 29 and the two succeeding days, the National Congress of the Kuomintang was held at Hankow. Chiang Kai-shek was elected to the post of Tsungs'ai or General Executive (a dignity hitherto attained only by Dr. Sun Yat-sen), and it was decided to establish a People's Political Council with advisory powers. The Council was actually established on June 21, consisting of 88 representatives of provinces and municipalities, 4 Mongols, 2 Tibetans, 6 representatives of overseas Chinese, and 100 persons who had served with distinction in cultural or economic spheres, or had rendered outstanding services to the State. The list of members contained the Communist leader Mao Tse-tung.

The Japanese on their side endeavoured to administer the territory which they had overrun through the agency of the Chinese themselves. On January 30 the East Hopei Autonomous Provisional Government established by the Japanese at the end of 1935 was amalgamated with the Peking Provisional Government set up by them in 1937, while on March 28 a new "Reformed Government of the Republic of China" was inaugurated at Nanking for the government of the provinces of Kiangsu and Chekiang, until such time as it should be amalgamated with the Peking Provisional Government. On September 20 a United Council of the Republic of China was formed at Peking to pave the way for the establishment of a new Central Government of China. These puppet Governments entirely failed to win the support of the mass of the population, which had been rendered bitterly hostile to Japan by the conduct of the Japanese soldiery, and it was with difficulty that occupants could be found for the posts. The country nominally subdued swarmed with guerilla fighters who were a constant source of annoyance and danger to the Japanese armies. In the early summer the Chinese succeeded in establishing in Eastern and Central Hopei a native administration controlling an area of about 90,000 square miles and disposing of a considerable military force, consisting chiefly of remains of the 8th Route (Communist) Army.

More effective was the economic control which Japan imposed on China, partly through the puppet Governments, partly by direct action. On January 21 the Peking Provisional

Government announced a number of reductions, ranging from 25 to 75 per cent., on the duties on a number of imports and exports of special interest to Japan. On February 5 the Government in Peking, with the assistance of Japanese banks, set up a Federal Reserve Bank, which on March 10 issued a new currency linked with the yen. To counter this, the Chinese National Government at Hankow on March 14 imposed foreign exchange control. In February, Mr. H. Hirao was appointed Supreme Economic Adviser to the Japanese Army in North China, and shortly afterwards Japanese controlled companies were formed in North China to undertake transport, electricity, mining, and other public utility and industrial enterprises. On May 2 it was agreed between the Japanese and British Governments that during the period of hostilities the Customs revenues collected at ports under Japanese occupation should be deposited with the Yokohama Specie Bank, which should remit the foreign loan quotas to the Inspector-General of Customs. The Chinese Government sent a Note of protest to the British Government, reserving to itself full liberty of action in matters pertaining to the Chinese Customs. In August, a North China Telephone and Telegraph Company, under Japanese control, was formed to take over all telephone, telegraph, and wireless circuits in North China.

On January 4 the Japanese authorities presented a series of far-reaching demands to the Municipal Council of the International Settlement in Shanghai, including among other things an increase in the number of Japanese in the police force and the placing of Japanese in controlling positions in all the important departments of the Municipal Council. They also asked that measures should be taken to eradicate anti-Japanese elements and control anti-Japanese newspapers. On March 21 the Council replied that it recognised the desire of the Japanese for a greater degree of participation in the administration as well founded, especially as regards police, but it did not think it advisable to amalgamate the foreign and Japanese branches of the police force, owing for one thing to the defective knowledge of English on the part of the Japanese. It put forward alternative proposals which the Japanese did not regard as adequate. Conditions in Shanghai became very disturbed owing to the activities of Chinese terrorists, and in the summer the Municipal Council found it necessary to take energetic steps to preserve order.

#### JAPAN.

Throughout 1938 practically the whole energies of the Japanese people were absorbed in the prosecution of the hostilities in China which it had embarked upon somewhat light-heartedly

in the middle of 1937. The maintenance in action of a huge military force on the Asiatic mainland imposed on the Japanese economic and financial system a severe strain which it met only with difficulty, and the military successes in China failed as yet to produce any such political or economic fruits as might compensate the Japanese people for the hardships it was forced to undergo in the pursuit of its objective.

The rejection by General Chiang Kai-shek of the offer of peace conveyed to him by the German Ambassador, Dr. Trautmann, at the beginning of the year (*vide* China) was a severe disappointment to the Japanese authorities, but it did not deflect them in the least from their settled purpose of putting down what they called "anti-Japanism" in China. In the highest quarters, however, a difference of opinion manifested itself as to the precise means by which this end should be pursued. The more extreme elements proposed that war should be formally proclaimed and a stringent blockade imposed. This was opposed on the ground that it might have unfavourable reactions in England and the United States. In the end, the more moderate section gained the day, and it was decided that the fiction of the war being merely an "incident" should still be kept up, but that recognition should be withdrawn from the Government of Chiang Kai-shek and transferred to a rival regime under Japanese influence, and that hostilities should be continued until the Chinese Army was exterminated. This decision was formally confirmed on January 11 by an Imperial Conference presided over by the Emperor in person—the first of this kind since 1914 and the fifth in Japanese history. In spite of this, however, the Chinese Embassy remained in Tokio till June 11.

The Government had by now made up its mind that there was a long struggle ahead in China, and that it was necessary to put the country on a war footing. For this purpose it drafted two Bills—a National Mobilisation Bill and an Electric Power Control Bill. The former conferred on the Government wide powers in the control and use of man-power and material, including the regulation of industrial planning, complete control over war-time essentials, the right to draft men and women for necessary work, the right to fix prices of all natures, adjust tariffs and regulate wages, and other dictatorial privileges. The latter conferred on the Government control of all electrical supplies. The former Bill was to be brought into force only if in the opinion of the Government circumstances should require it; the latter was to come into force at once.

The National Mobilisation Bill was introduced in the Diet on February 24, and at once met with vehement opposition from both the Minseito and the Senyukai Parties. After a stormy passage, however, it was accepted by the Diet on March 16. With the Electric Power Control Bill the Government was not

so successful. In the Upper House it was vehemently opposed by Mr. Matsumoto, a former Minister of Commerce and Industry, who declared that it "allowed confiscation of property without redress," and in the Lower House it was so drastically amended that by the time it was passed on March 8 it had almost completely lost its original comprehensive character.

The National General Mobilisation Law was promulgated throughout the whole of the Japanese Empire on May 5, and the machinery was set up for making its various clauses law. In virtue of the Law a National General Mobilisation Commission, composed of 15 members each from the House of Peers and the House of Representatives, along with a number of departmental officers and financiers, and presided over by the Prime Minister, was constituted. On May 5 all factories and workshops concerned with the enterprises which had any bearing on mobilisation were placed under control, and on August 24 graduates from technical establishments in engineering subjects were placed under control and a census of persons connected with the medical profession was ordered.

The realisation by the general public that the war was likely to go on for a long period caused a certain feeling of disappointment and depression. In order to restore confidence, Prince Konoe, the Prime Minister, at the end of May and beginning of June made some important Cabinet changes. General Ugaki, a highly popular figure, replaced Mr. Hirota as Foreign Minister; General Araki, the well-known patriot, became Minister of Education; Mr. Ikeda, a former Governor of the Bank of Japan, replaced both Mr. Kaya, the Finance Minister, and Mr. Yoshino, the Minister of Commerce; and Lt.-Gen. Itagaki, who was popular with the younger officers, became Minister of War in place of General Sugiyama. The new Cabinet contained no fewer than five members of the fighting Services.

General Ugaki held office only till September 29. As two years before, when he was appointed Prime Minister, so now again his independence of view and comparative liberalism made him unpopular with the Army chiefs. His fall was said to be due to his disagreement with them over the degree of control which they were to exercise over a "China Office," which it was proposed to establish in order to control the areas in China occupied by the Japanese forces. Another reason was said to be his attempt to create more friendly relations with Great Britain (*vide infra*). He was succeeded by Mr. Arita, who was a willing tool of the militarists.

The financing of the war taxed Japan's resources severely. The ordinary Budget for 1938-39, introduced into the Diet on January 22, balanced at 2,867,000,000 yen (about 167,000,000*l.*), slightly less than the figure for the previous year, but this included no provision for war expenditure, for which a special

account exceeding 280,000,000*l.* was provided. Only about 18,000,000*l.* of this sum was met by increased taxation. On July 19 the Government decided to reduce the gold cover of the currency by about 17,000,000*l.*, thus bringing the gold reserve down to about 30,000,000*l.*, or one quarter of the face value of the currency. The money thus saved was to be used for the support of the export trade; and for the same purpose the use of cotton for private purposes was forbidden from the beginning of July. In many other ways too the public, partly voluntarily, partly under police compulsion, eschewed luxuries and adopted a simpler way of life in order to economise materials or reduce expenditure.

The military operations and economic policy of Japan in China brought her into sharp conflict with other Powers which had interests in that country, notably the United States and Great Britain. On January 17 the Government received a strongly worded Note from the United States on the subject of the increasing number of outrages by Japanese soldiers against Americans and their property. About the same time also Britain made a number of similar protests. The Japanese Government made conciliatory replies, and General Matsui, the Japanese Commander-in-Chief in China, reprimanded his troops in person for their indiscipline. Soon afterwards General Matsui was recalled and replaced by General Hata, who was reputed to have more regard for foreign opinion.

Friction between Japan and Britain became more acute when in the summer the Japanese forbade British shipping to sail up the Yangste. When General Ugaki became Foreign Minister, he made it one of his chief objects to restore better relations with Britain, and for this purpose entered into conversations with Sir Robert Craigie, the British Ambassador, the chief subject of discussion being Japanese interference with British trade interests in Shanghai, on the Yangste and elsewhere. Public opinion in Japan, however, was bitterly hostile to Britain, which was charged with supplying China with munitions and generally with standing in the way of Japanese expansion in China. After General Ugaki's resignation, the conversations were continued for a short time by his successor, but they led to nothing.

On October 6 the Government received from the United States another strongly worded Note complaining of numerous violations of the "open door," and interference with American rights in China by the institution of monopolies and in other ways. The Note demanded the discontinuance of discriminatory exchange control, of any monopoly or preference prejudicial to American trade or industry in China, and of interference by the Japanese authorities in China with American property and other rights. On November 19 the Japanese Government sent a reply disclaiming any intention on Japan's part of discriminating

against American enterprises, but significantly remarking that "any attempt to apply to the conditions of to-day and to-morrow the inapplicable ideas and principles of the past would neither contribute to the establishment of real peace in East Asia nor solve the immediate issues." To this the United States replied on December 21 refusing to "assent to the establishment, at the instance of and for the special purposes of any third country, of a regime which would arbitrarily deprive them of the long-established rights of equal opportunity," and asserting that alterations could rightfully be made only by orderly processes of negotiation and agreement. On November 7 the United States, Great Britain, and France addressed Notes to the Japanese Government asserting that the closing of the Yangste to foreign vessels was a violation of the principle of the "open door," since Japanese shipping was operating on the Yangste on a commercial basis, and pressing for the reopening of the river to free navigation as far as Hankow. The Government replied on November 14 that the river was being used only for military purposes and the time had not yet arrived for its general opening.

On December 22 a new set of peace terms to China, decided on at an Imperial Conference on November 30, was published. They were on the surface somewhat less drastic than previous offers—though they studiously ignored General Chiang Kai-shek—but they failed to bring the end of the war any nearer. The granting of credits to China by the United States and Britain seriously perturbed the Japanese Government, which had never expected such a step, and on December 19 Mr. Arita, the Foreign Minister, described it as a "regrettable act" and one than which "there could be nothing more dangerous"—if, that is, it was intended as a hostile gesture towards Japan.

In July a serious clash took place between Japanese and Russian troops in the neighbourhood of Changkufeng, a village near the junction of the Manchukuo-Korean-Siberian frontiers, in a disputed area which had never been properly delimited (*vide* Russia). Though Japan at first adopted a very truculent attitude, she agreed on August 11 to a truce which left most of the disputed territory in the hands of the Russians, pending the appointment of a boundary commission.

The 1936 Trade Agreement with Australia, which expired on June 30, was continued by a new agreement which fixed the quotas for Japanese cotton goods and also for rayon textiles to be imported into Australia at 51,250,000 square yards a year, while Japan undertook to buy from Australia two-thirds of her total wool imports when these were below 500,000 bales, or three-quarters when the total exceeded that figure.

During the first six months of 1938 Japanese exports decreased by 21 per cent. compared with the corresponding period

in 1937, chiefly as a result of boycott in several countries. The decline in the Straits Settlements was 75 per cent., in British Malaya 66 per cent., in Netherlands Indies 62 per cent., in the United States 48 per cent. The decline continued until the end of the year; imports for 1938 amounted to 2,598 million yen, as against 3,783 million yen for 1937, exports to 2,611 million yen, as against 3,175 million yen in 1937. On December 27 the Cabinet discussed a three-year plan drawn up by the National Planning Board for making Japan self-sufficient in case of emergency by co-operation with Manchukuo and China.

## CHAPTER VIII.

### MOROCCO AND EGYPT.

#### MOROCCO.

DURING 1938 French Morocco remained quiet, and the anti-French agitation of the previous year was not renewed. One sign of the more sympathetic attitude of the authorities to the sufferings of the native population was that when M. François de Tessan, the French Under-Secretary of State for Foreign Affairs, arrived in Morocco on an official visit on February 10, he requested that the banquet for 300 persons which was to have been given at Casablanca to celebrate the opening of the new Hotel de Ville should be cancelled, and the 65,000 francs (425*l.*) which it would have cost should be spent in distributing food to the poor native population. On September 17 the Sultan conveyed to General Nogués, the French Resident-General, an assurance that, if a conflict arose, he and all his subjects would stand beside France, which they looked upon as a second great mother country. This declaration was supported by similar declarations of loyalty from all classes of the population.

In July a new Commercial Treaty was signed between Great Britain and France to take the place of the Convention of Commerce and Navigation between the United Kingdom and Morocco concluded in 1856. By the new treaty, which was to remain in force for seven years, Britain acknowledged the right of the Protectorate to levy duties in excess of the existing basic rate of 10 per cent. *ad valorem* fixed in the Anglo-Moroccan Treaty of 1856, and in fact, the duties on many British exports to Morocco were raised up to 15 per cent. *ad valorem*, exclusive of the 2½ per cent. *ad valorem* special surtax authorised under the Act of Algeciras.

On November 10, in the British House of Commons, charges were brought forward against Mr. Keeling, the British Consul-General at Tangier, of showing pronounced Fascist and Italian

sympathies and acting in support of the Spanish Insurgents. An inquiry was ordered by the Foreign Secretary, and on December 22 a statement was issued completely exonerating Mr. Keeling from all the charges brought against him.

The results of the French Moroccan census of March 8, 1936, published in October, showed a total population of 6,298,528, of whom 1,735,333 were French and 59,058 other Europeans.

#### EGYPT.

The year 1938 opened in the midst of a political crisis. On the penultimate day of the previous year Nahas Pasha, the Wafd Prime Minister, had been dismissed by the King and, Mohamed Mahmoud appointed in his place. The next step was to prorogue Parliament at its meeting on January 3 when there were strong anti-Government manifestations in both Chambers on the part of the large Wafdist majority and much confusion. That Parliament did not meet again. In the subsequent elections in April, the Wafd was overwhelmingly defeated. The Government Party secured 99 seats, their allies the Dissident Wafdists 84, and the Official Wafdists, who had previously had an overwhelming majority, only 12. Nahas Pasha himself was defeated, whereas Mohamed Mahmoud was elected by 10,709 votes to 100. The surviving Wafdists took these events badly. Even before the prorogation of Parliament the expulsion from the Party of Dissidents commenced, and it was the Wafd Party itself that may be said to have created its successful rival, the Saadists, or Dissident Wafdists. At the same time Nahas Pasha made a formal complaint that the new Prime Minister and other prominent members of the Government and Saadist Parties were involved in an attempt to murder him that culminated in the attack of the previous November.

April saw a new Cabinet crisis, which ended with the reconstitution of the Government, making it more representative of the Parliamentary majority. Within three weeks, however, the Minister of Finance, Ismail Pasha Sidki, a former Prime Minister, and perhaps the most outstanding member of the Cabinet, resigned. He was at once succeeded by the Prime Minister. On June 23 came another reconstruction of the Cabinet, as a consequence of which the Saadist Party was admitted as equal partners, with Mohamed Mahmoud again as Prime Minister. Throughout the year the Wafdist Party took up a persistently negative attitude towards every action of the Government, and carried its criticisms as far as anti-British pronouncements, occasioned by the close and friendly relations between the Egyptian and British Governments. The party went so far as to encourage demonstrations against the Government, and



in a riot in Cairo on October 9 there were a number of injured, including Russell Pasha, the Commandant of Police, and Nahas Pasha and Makram Pasha, the heads of the Wafd.

In external affairs the most important event was a new agreement with Britain, negotiated by the Prime Minister in person in London. The previous agreement regarding the allocation of the cost of erecting barracks for the British troops in their new stations had proved unexpectedly heavy. The British Government showed itself accommodating and willingly relieved Egypt of a part of the cost. Later in October by another agreement, the differences, mostly financial, between Egypt and the Sudan were settled. One of the clauses provided for the cessation of the Egyptian subsidy to the Sudan Government after two years. These agreements were not, however, universally accepted. They were in particular criticised by Sidky Pasha, until recently Minister of Finance, who considered they bound Egypt too closely to Britain, and made her foreign interests subservient to those of her powerful ally. The Prime Minister admitted that the agreements were in some respects defective, but obtained the overwhelming support of the Chamber.

The international crisis at the end of September saw Egypt whole-heartedly at the side of Britain. Her attitude throughout the year towards Italy was one of suspicion, little confidence being felt in Signor Mussolini's pronouncements. The resignation of Mr. Eden in February was consequently received with widespread regret, and Italy's apparently newly discovered interest in the safety of the Suez Canal by no means welcomed. The Government was kept informed of the British negotiations with Italy, and followed them to the point of recognising the Italian conquest of Ethiopia, but there were many misgivings. However, the British treaty with Italy brought with it the acceptance by the latter of the Montreux Treaty, and the complete abolition of the Capitulations, and at the end of the year there was some talk of a further agreement with Italy.

The Italian demands for some share in the control of the Suez Canal put to France with considerable brusqueness in December, had a very bad reception in Egypt. These events led almost automatically to the strengthening of armaments and defences, and an extraordinary expenditure of 40,000,000*l.*, spread over five years, was decided on.

The Palestine troubles had echoes in Egypt, where in October, a Pan-Arabian, to some extent Pan-Moslem, Congress met to consider them. Egypt, an ally of Britain, was at the same time in sympathy with the Arabs of Palestine, and was thus in a position of which it took advantage, to act as mediator between the two parties.

The movement for the creation of party armies which had shown itself such a nuisance, even a danger, in Europe, spread

to Egypt where it caused much unrest and trouble. The Government dealt with it drastically, for by a Decree-law of March 9 all such organisations were suppressed, and anybody taking part in them made liable to penalties.

The Budget for the year balanced at the record figure of 41,000,000£E, and was noteworthy for the introduction of an income tax, a stamp tax, and death duties, rendered possible by the abolition of the Capitulations, and by a considerable increase of military expenditure. There was, however, strong opposition in the Senate to the new taxes, and they had to be postponed. On December 1 the negotiations with a Lancashire trade delegation for an agreement regarding the import into Egypt of cotton goods were brought to an end, and an agreement ratified. The value of the imports of Lancashire manufactures was related to the value of the raw cotton bought by Lancashire from Egypt.

The King's marriage, on January 20, to Mlle. Farida Zulfikar, was an occasion of general rejoicing. The Queen gave birth to a daughter, Princess Feriol, on November 17.

## CHAPTER IX.

AMERICA : THE UNITED STATES—THE PAN-AMERICAN CONFERENCE  
—ARGENTINA — BRAZIL — CHILE — MEXICO — GRAN CHACO—  
URUGUAY.

### THE UNITED STATES OF AMERICA.

THE year 1938, like each of the years of President Roosevelt's prolonged tenure of office, earned the title of a strange year, with its full share of anomalies.

Like each of its predecessors, it was marked chiefly by the conflict between two "ideologies"—that of the United States as it conceived itself to be—the land, pre-eminently, of successful entrepreneurs, and that of the United States which the President and his followers saw—a land faced with problems insoluble on *laissez faire* lines.

It was a year which began with 11,000,000 unemployed and ended with 9,950,000 still unemployed and with, according to the official Social Security Board, about 23,000,000 people drawing some form of public relief. This was almost one in six of the population. It was, in short, a year in which a pronounced recovery in business activity, easily visible on the charts from June onwards, unaccountably went wrong in relieving unemployment, a year in which the United States might reasonably have been forgiven for intense preoccupation with domestic affairs. But it was, on the contrary, a period of growing sensitiveness to

international affairs and a substantial weakening of the sense of "isolation" from world events.

Politically the President lost ground during the year but this did not seem to affect his singular personal ascendancy over the country. If the one-party Democratic South be eliminated from calculation, then the November Congressional and gubernatorial elections in the Northern and Western States showed the Republicans polling 51.4 per cent. of the popular vote compared with 40 per cent., in the same States, in 1936.

But they did this mainly by exploiting the grievances of the propertied classes and without producing a single national leader or a platform likely to impress a future historian. They attacked the extravagances of the "New Deal" but they did not dare to challenge it as a way of life to which America was inexorably committed. They urged that restrictions on business enterprise should be lifted so that the profit motive could once again operate beneficently; they urged the abolition of certain taxes, the vigorous pruning of relief rolls, the balancing of the Budget and the reduction of the soaring National Debt, but these concrete and arguable demands fail to suggest the extreme bitterness of the attacks upon the President and his alleged extravagances.

For the one feature of the campaign which will assuredly interest the future historian was the charge—apparently quite popular among many in the well-to-do classes—that the President had secret ambitions to make himself a "dictator" on Fascist or Nazi lines, using the 23,000,000 people on the public relief rolls as the spear-head of his attack on the Constitution and the liberties of the country.

This movement culminated in an extraordinary campaign to defeat an Administration Bill designed to give the Executive branch of the Government large powers to consolidate some of the eighty-four overlapping bureaus and departments and commissions which had sprung up in the Federal Government. This was viewed as a "Fascist plot" to give the President the whip-hand over a docile Federal payroll—apart from relief rolls—of about 1,200,000 persons. Some 350,000 telegrams poured in upon Congress; the Lower House, disregarding the President's impatient protest that he had neither the ambition nor the capacity to be a dictator, rejected the Bill.

The year opened with the severe recession of 1937 still dragging the indices lower. The Federal Reserve Board's index of industrial production, which had made history in 1937 by sliding from 114 in January to 84 in December, took another plunge to 80 in January and continued to weaken, though more slowly, to 76 in May. There were no banking troubles, but some of the important railroads were visibly sliding towards bankruptcy and something drastic had to be done. The President, who in the previous year had preached financial orthodoxy and

forecasted the achievement of a balanced Budget in the near future, concluded that he had been premature and that "Government spending and lending," which had started the revival of 1934-35-36, must again be resorted to. In a "fireside" radio talk he announced that the Administration would initiate a 4 milliard dollars "spending and lending" programme. Actual appropriations for "pump-priming" totalled 3,753,000,000 dollars, though the amounts actually spent in the fiscal year beginning June 30 was undoubtedly substantially less. Congress rolled up large majorities for the programme.

If the charts may be trusted, it worked. Two industries which were at the opposite economic poles—textiles and steel—went straightaway into rising production, followed by a number of others including the manufacture of boots and shoes. Special legislation designed to remedy the previous efforts at encouraging the building industry proved extremely successful, and building construction, especially residential, was soon breaking all records for a number of years. Railroad traffic rose just in time to rescue some of the roads from imminent default on their securities and to make it possible for the companies to abandon a 15 per cent. wage cut which they had demanded.<sup>1</sup>

But while all this was pleasing, the Administration's critics found less pleasing the new economic theory advanced for the "pump priming" of 1938. The President's theory was that prosperity could only be brought about by starting with those on the lowest income levels; if their ability to consume goods is increased, either by relief or higher wages, then the benefits will rise through the whole system, culminating in profits at the top which can then be taxed for the redemption of the original debt contracted. One Administration spokesman, amplifying this, argued that a national income, covering all classes, of 80 milliard dollars should be aimed at, for at that level the Government's revenue would be so great that extinction of the debt would be automatic. This "mechanistic" theory was severely ridiculed. However, apart from the merits of the argument, it is interesting to notice that the "national income" for 1938, as calculated by the Department of Commerce, was 64,184,000,000 dollars compared with 68,973,000,000 dollars in 1937, 45,921,000,000 dollars in 1933 at the beginning of the "New Deal" regime, and 78,574,000,000 dollars in the "boom" of 1929.

Although the trade recession of the first half of the year increased unemployment and placed the unions—especially the "industrial unions" affiliated with the new Committee for Industrial Organisation—under severe strain, wage rates through-

<sup>1</sup> At the end of 1938 111 railway companies—including 39 important ones—representing 31 per cent. of the total mileage in the United States were in the hands of receivers or the courts. This was the largest mileage ever in the hands of the courts at any one time.

out the twelve months were very little affected and remained at the highest level in history. And this was fairly generally accepted as desirable, even by many who ridiculed the "mechanistic" theory of creating prosperity by the temporary creation of debt. Both the radical C.I.O. and the conservative American Federation of Labour increased their respective memberships, and the movement towards collective bargaining spread far outside, into the "white collar" and professional classes, such as sales people in shops, newspaper writers, hospital nurses and, strikingly, among agricultural workers hitherto quite unorganised. Only a few protested that this stabilisation of wage rates at comparatively high levels was a check upon fresh business enterprise and tended to perpetuate a high level of unemployment.

Indeed, Congress was sufficiently impressed with the merits of high wages as a basis of prosperity that it passed without much ado an Act providing minimum wages and maximum hours for all industries whose products enter into inter-state commerce. This Act provides a minimum wage of 25 cents an hour which rises, by stages, to 40 cents an hour after seven years, while hours of labour are placed at a maximum of 44 hours, to be contracted gradually to 40 hours after three years. The Southern States opposed the Bill on the grounds that their infant industrialism could not afford such high minimum wages, but Congress, for once, refused to heed the powerful "Southern bloc." After the Act went into effect on October 24, complaints arose; the pecan-shelling industry, several tobacco and lumber mills and garment factories in the South closed down, while even some of the Northern industries found it costly or irksome. While the principle of the law was not seriously challenged, there arose a demand for modification. This may be an issue in 1939. The National Labour Relations Board, formed in 1935, had a rather tumultuous year, hammering out in the courts the powers and procedure of what is still the comparatively new machinery for settling industrial disputes.

There were two conspicuous failures in the "spending and lending" programme. For one thing, it completely failed to lift commodity prices which continued to sag throughout the year. Large crops, both at home and abroad, were, no doubt, responsible for the failure of farm prices to rise, but the failure of other commodity prices—except cartel-controlled commodities, like copper, tin, rubber, and newsprint—to reflect the rising demand usually associated with a boom, was a disappointment. In some quarters, though not in Government circles, the depreciation of sterling was blamed for this on the theory that it reduced Britain's buying power—the world's largest buyer, it was remarked—and this in turn compelled the producers of raw materials to lower their prices in order to stay in the British market. At any rate, further depreciation of sterling, if it continues to be linked with

a further deflation of commodity prices, may quite possibly give rise to a fresh demand that the President devalue the gold dollar to the full 50 per cent. permitted under the law, so that a sharp rise in American paper prices for home consumption and a depreciation of American export prices in terms of foreign currencies may offset the effect of sterling's decline. However, a race in currency depreciation would be a solution apparently quite unwelcome to the present Administration.

The efforts of the Administration to raise farm prices by controlling production became increasingly complex during the year but without achieving success. Preliminary estimate of the farmers' total gross income was 7.5 milliard dollars which was about one milliard under that of 1937. This included about one-half milliard dollars of Federal funds, paid over to farmers adhering to the various programmes or loaned to them on portions of their crop taken over by Government pools. Cotton was the least successful of the various crop-control schemes. Although the crop was obediently cut from 18,000,000 bales to 12,000,000 bales, the carry-over of unsold cotton on August 1 was 13,600,000 bales, the largest in history. In May spot cotton sold for 7.71 cents a lb., the lowest since April, 1933, and less than 3 cents above the lowest price ever recorded. The year ended with the Government, through its loan fund, unhappily holding 11,000,000 bales—about twice the domestic consumption in the 1938 season and about 60 per cent. of the consumption in the 1928-29 season. Talk of an International Conference of cotton producers was rife in Washington at the end of the year.

The second failure of the "spending and lending" programme was its inability to revive the dormant capital market. New issues in 1938 for industrial expansion fell sharply by some 373,000,000 dollars to 854,000,000 dollars. This was not surprising, for both borrowers and lenders had gone more or less "on strike" for several years. But it gave a handle to the critics of the Administration who argued that prosperity, as distinguished from feverish spending, depended on the investment of savings in the capital goods industries, but that such investment was impossible under a regime which constantly sought to hamper industry and restrict profits. Much was made of the "profitless prosperity" which was the only form, apparently, which was possible under the rigours of the "New Deal." And it was mainly the failure of the capital market to respond to the blandishments of the "spending and lending" programme which finally unsettled business confidence by the close of the year and turned some of the well-known indices moderately downward.

Running parallel with the domestic controversies of the year were the startling events abroad, both in Europe and the Far East, as the totalitarian powers manœuvred for position. These events were fully and vividly reported in the Press which was

overwhelmingly anti-Nazi and anti-Fascist in tone. Mr. Roosevelt had made abundantly clear in 1937 his dislike of the world outlook, and in several speeches in 1938 he and members of his Cabinet took an extremely critical attitude specifically towards the Nazi regime in Germany. But the strong "isolationist" and pacifist sentiment in the country which had expressed itself, however inadequately, in the Neutrality Act of 1935 designed to "keep America out of war," effectively tied his hands. Very little help could be given to the Chinese Government and almost none to Spain.

But events brought a remarkable change in public attitude. The Japanese bombing of Chinese villages and the Italian and German bombing of Spanish villages gave point to Secretary Hull's remark on June 3 that the doctrine of national isolation during a period of totalitarian warfare was a "bitter illusion." Reports of the Nazi penetration of South and Central American countries, far more detailed and documented than any reports appearing in the British Press, brought the "totalitarian menace" into the Western world; while the discovery of German Nazi uniformed "bunds" and Italian Fascist organisations actually within the United States aroused a storm of protest. Finally, the trial in New York City of several German spies, who were found guilty of espionage, interested and aroused a wide section of the public not normally concerned with international affairs.

The House of Representatives—long the stronghold of pacifist sentiment—showed a real veering of opinion on January 9 when it refused, by 209 votes to 108, to bring out of Committee a pacifist resolution which would have required a national referendum before war could be declared. This was probably more significant than the greatly increased Army, Navy, and Air Force appropriations which Congress voted, for these latter were not unrelated to the basic inflationary ideas of the "spending and lending" programme, whereas the vote on January 9 was on a clear-cut issue.

The President was widely believed to be working for a relaxation of the Neutrality Act which would enable the United States to exert some of its economic strength on behalf of the threatened democracies so as to check the totalitarian advance before it plunged the world into a general war. But he stuck closely to the Western hemisphere in his references to American policy, as, for example, when he familiarised the public with the idea of defending Canada from invasion. When accepting on August 18 the degree of Doctor of Civil Laws from Queen's University, Kingston, Ontario, Mr. Roosevelt broke new ground in the country's foreign policy: "The Dominion of Canada is part of the sisterhood of the British Empire. I give you the assurance that the people of the United States will not stand idly by if the domination of Canadian soil is threatened by any other Empire."

Hitler's seizure of Austria and, later, his seizure of the Sudeten region by the threat of a European war, were the greatest shocks of the year. There was a strong revulsion from Mr. Chamberlain and M. Daladier when, on September 17, they capitulated to Herr Hitler's ultimatum and—as the bitter American phrase went—"sold Czechoslovakia down the river" in order to purchase a further instalment of peace. Then as the September crisis grew in intensity with the increase of Hitler's demands, there was some modification of this hostility to the British Prime Minister as the public began to visualise what the bombing of London and Paris would mean. But in the main the National Government cannot be said to have enjoyed a good Press in the United States, beginning with Mr. Eden's resignation on February 20; the critical attitude was not lessened by the subsequent revelations of the poverty of Britain's air defences after several years of substantial expenditures.

The threat of a European war caused President Roosevelt to intervene on September 26 with a long cable to Hitler, begging him not to break off negotiations with Czechoslovakia. This cable was suppressed in Germany until after the crisis had passed. Herr Hitler replied on September 27, reminding the President that the Versailles Treaty had denied self-determination to the Sudeten Germans and announcing his inflexible determination to see that they secured it at last. To this President Roosevelt replied with a second cable urging that "mistakes of the past" must not doom the world to war. On the 28th the President appealed to Mussolini to use his influence for peace, and at the same time urged the South American Powers to join in the general efforts to avert war. And finally he made a special appeal to Poland not to use force in her negotiations for the surrender of Czech territory.

Hitler's triumph at Munich and the brisk and completely ruthless fashion in which the dismemberment of Czechoslovakia was carried out caused the severest deterioration in German-American relations. Mr. Harold Ickes, Secretary of the Interior, referred bitterly in a speech to the fact that two Americans, Henry Ford, the 75-year-old motor manufacturer, and Charles A. Lindbergh, the aviator, had accepted the Order of the German Eagle from Hitler. Henry Ford, who had achieved considerable notoriety some years back by financing an anti-Semitic paper, accepted the Grand Cross of the German Eagle on his birthday on July 30; Lindbergh accepted a minor decoration of the same Order in Berlin on October 19, after the dismemberment of Czechoslovakia.

The Nazi pogroms against the Jews came as the final shock of the year. On November 15 the President took the unusual course of handing to the Press, at the Press Conference in the White House, a written statement which read in part as



follows: "The news of the past few days from Germany has deeply shocked public opinion in the United States. . . . I myself could scarcely believe that such things could occur in a twentieth-century civilisation. With a view to gaining a first-hand picture of the situation I have asked the Secretary of State to order our Ambassador in Berlin to return at once for report and consultation." Three days later Herr Hitler retaliated by ordering home the German Ambassador "to report on public sentiment in the United States and the singular attitude towards domestic affairs in Germany manifested in various declarations by President Roosevelt and other important United States personalities." Neither Ambassador had returned to his post by the end of the year.

There was much discussion of the problem of the German, Austrian, and Czech refugees. The President gave a ruling that the 12,000 to 15,000 German refugees who were already in the country under visitors' permits would not be forced to return, but he did not see his way clear to ask for revision of the immigration quotas to permit a larger number. However, the State Department financed an international committee—the Evian Committee—which sought for a solution of the international problem created by the anti-Jewish measures in the Greater Reich.

Perhaps the most significant development in the country's attitude towards the Sino-Japanese war was the trade credit for 25,000,000 dollars advanced to China through the Export and Import Bank. This created considerable annoyance in Tokio where the Foreign Office described it as "dangerous." It was more effective, as an expression of the Administration's attitude, than the series of protesting Notes despatched to Tokio regarding the alleged Japanese interference with American business interests in the Yangtse Valley. Toward the end of the year the Navy pressed for appropriations sufficient to establish air and naval bases in the Pacific, but these discussions were kept blandly general in tone, and a specific proposal to convert the island of Guam into an air-base was rejected as likely to arouse Japanese suspicions. There were spasmodic agitations for a boycott of Japanese goods, notably of silk stockings, which was one reason why American manufacturers of silk shifted over to rayon, but there was little evidence that the boycott was effective. Silk, in fact, owing to the shortage of supplies, was one of the strongest commodities.

Friction developed with Mexico over the action of that Government in decreeing on March 20 the expropriation of the foreign-owned oil companies. The American State Department took what many considered a weak line—acknowledging the right of a Sovereign State to expropriate foreign companies if it so desired, but stressing that under International Law full and fair

compensation must be paid. To this Mexico agreed cheerfully, promising full compensation, but the Government's financial position was far from strong and payment seemed fairly remote. The public was much more interested in the reports that the foreign-owned oil seized was being sold by Mexico to Japan, Italy, and Germany; this looked very much like a drift towards Nazism, but it may have been due to the fact that the big British and American marketing organisations had refused to handle the "stolen oil" and thus had closed the greater part of the world markets to Mexico.

An interesting effort was made to bind the South and Central American countries into a common federation to resist the encroachments of the totalitarian States in the Western hemisphere, but the conference which was held at Lima, in December, was able to agree only on a rather perfunctory formula of co-operation. Actually the totalitarian idea, suitably watered down for the Latin-American temperament, would appear to have already inoculated more than one of the Latin-American countries.

Undoubtedly the biggest single achievement of the year was the Trade Agreement signed on November 17 with the United Kingdom, the British Colonial Empire, Newfoundland and Canada, reducing duties upon a long list of articles. Negotiations had proved difficult, occupying nearly a year, and breakdowns—according to reports—were only narrowly averted on more than one occasion. Secretary Hull expressed his intense pleasure at the success achieved which, in view of the leading positions in international trade held by Great Britain and the United States, promised to do much to revive world commerce. Of the American business adversely affected by the tariff concessions made, the most aggrieved was the zinc industry.

Most singular single event of the year was the panic unwittingly caused in New Jersey and in New York State on October 20 by the broadcasting of an all-too vivid imaginary account of the invasion of New Jersey by strange gigantic figures, believed to be from the planet Mars. Thousands, not realising that it was the ambitious effort of a gifted youthful producer—making very free use of H. G. Wells's novel—were terrified by the urgent bulletins coming over the radio, minute by minute, describing the calling out of the National Guard to fight the weird, ruthless figures striding through town after town. Many people, according to Press accounts, were made seriously ill by the shock.

Not even in the United States were nerves quite as steady in 1938 as they had been in previous years.

#### THE PAN-AMERICAN CONFERENCE.

The eighth Pan-American Conference was held at Lima, the capital of Peru, on December 8-27, and was attended by representatives of twenty-one States. The invitation sent out by

the Peruvian Government contained the observation that "the situation requires the nations of America to strengthen their traditional ties and endeavour to create new bonds of solidarity which would serve to eliminate the danger of war among themselves, and to safeguard them from the propagation on their soil of extra-Continental disputes." This view was fully endorsed by the American Government, which, in consequence, attached unusual importance to this conference and sent a particularly strong delegation headed by Mr. Cordell Hull, the State Secretary. The American Government was especially concerned over the endeavours of the totalitarian States in Europe to spread their doctrines in South America and to capture trade there by what were thought to be unfair methods. To combat these various dangers, Mr. Hull drafted a declaration which would have committed the countries represented at the conference to collaborate in resisting any threat, direct or indirect, to their peace or safety by any non-American State. This was regarded as going too far by the Argentine and other countries which had close connexions with Europe, and after lengthy discussions, Mr. Hull in the end had to be content with a declaration which, while similar in tone to his own proposal, was somewhat less specific. This document, which was to be known as the Declaration of Lima, and was the chief work of the conference, after reaffirming the Declaration of Principles and the Protocol of Non-Intervention approved at the Buenos Aires Conference in 1936, stated that, in case the peace, security, or territorial integrity of any American Republic was threatened, the countries represented proclaimed their common concern and their determination to make effective their solidarity by means of consultation and using measures that in each case the circumstances might make advisable, without prejudice to their individual sovereignty. To facilitate such consultations, the Ministers of Foreign Affairs of the American Republics were to meet when deemed advisable and at the initiative of any one of them.

#### ARGENTINA.

Dr. Roberto Ortiz, who had been elected President in September, 1937, assumed office on February 20. He appointed as his Minister for Foreign Affairs Dr. Jose Maria Cantilo, who had been Ambassador to the Quirinal. In March the biennial elections were held to replace one half of the members of the Chamber of Deputies. The elections passed off with little actual disturbance, but, as in the Presidential election, there were widespread complaints of unfair pressure exercised by the Government, and in some districts the Radicals abstained from voting in protest. The Government so far acknowledged the

justice of the complaints as to send a Federal Commission to the Province of San Juan to act as an administration pending the arrangement of another election, and Dr. Ortiz also issued warnings to other Provincial Governments. The election gave the Government, which had been in a minority in the Chamber of Deputies for two years, a majority of seven over the combined Opposition.

Dr. Ortiz adopted a conciliatory attitude towards the Opposition, and sought to govern constitutionally and not by decree. In the session of Congress which ended on September 30 the Chamber of Deputies passed Bills for the rebuilding and purchase by the State of the Argentine Transandine Railway at a cost of five and a half million pesos, and for the State purchase of the Cordoba Central Railway, and the Upper Chamber passed the Bill which had been presented several years before to revise the railway law, so as to permit of greater co-ordination of the railway services.

Economically the year was not very satisfactory. The crops of maize, wheat, and linseed showed marked declines, leaving little for the export trade. Exports and imports both fell off, and there was a heavy adverse balance of payments. The fall in exports caused a decline in railway and transport receipts which necessitated wage cuts, and these in turn led to Labour unrest.

In May Dr. Cantilo, the Minister for Foreign Affairs, paid a visit to Chile to sign the protocol of arbitration on the demarcation of the frontier between Argentina and Chile in the Beagle Islands and the Channel south of Terra del Fuego. He informed the Chilean Government that it was Argentina's firm decision to rebuild the Transandine Railway so as to increase trade, the tourist traffic, and every kind of intercourse between the two countries. In January the Government reduced to 10 per cent. the 20 per cent. exchange surcharge on certain classes of merchandise imported from countries whose visible trade balance was unfavourable to Argentina. This step enabled the United States and Japan to compete on more equal terms with Great Britain in textiles.

At the beginning of August, in view of the disturbed condition of Europe, the Government issued a decree that as from October 1 all foreigners entering Argentina must produce a landing permit, the object being to encourage the immigration of people who came with a definite view of colonising and to keep out those who wished to settle from accidental motives. There was a rush of applications to enter Argentina to anticipate the new regulations, and on August 24 the granting of all permits to land was suspended, in order not to discriminate between present applicants and those who would come under the new regulations.

The report of the Joint Committee of Inquiry into the Anglo-

Argentine Meat Trade, published in London on October 18, stated that all the importing companies, with three exceptions, refused to give the Commission facilities to collect the necessary evidence. This secrecy was strongly condemned by the Commission, which recommended a standardised form of accounts on which returns would be based. With regard to the methods of purchasing cattle, the report said that there was a feeling that in dealing with the smaller producers the packing companies were inclined to be harsh and dictatorial, and that the existing methods of settling the purchase price for cattle were not satisfactory.

"Ensign Day," a festival in honour of the national flag, was celebrated for the first time in June with great enthusiasm. The object of the celebration, which is to be yearly, is "to maintain loyalty to the national emblems and to counteract alien influences tending to impose themselves on Argentina."

#### BRAZIL.

Early in the year a plot was formed by members of the Accao Integralista Brasileira, commonly known as the Greenshirts, to get rid of President Vargas. They were, however, forestalled by the President, who in the second week in March ordered a raid to be made on the private residence of the leader of the party, Senhor Plinio Salgado. Arms, munitions, and daggers marked with the swastika were found, but Senhor Salgado himself escaped from the country. There was good ground for supposing that the Integralistas were instigated by German elements in the country, and on April 19 a decree was issued prohibiting the political activities of foreigners, imposing a censorship on foreign newspapers published in the country, and placing foreign schools under Government control.

Another *coup d'état* was attempted by the Integralistas on May 10. Shortly after midnight an attack was made on the President's residence in Rio de Janeiro, while the main body of the rebels occupied the Ministry of Marine. The President was able to ward off the attack on the Palace till troops arrived, and the revolt was quickly suppressed in the rest of the town. A large number of arrests was made, and some hundreds of people received sentences of imprisonment.

The fact that the Integralistas had received considerable supplies of arms from Germany and Italy led the Government to enforce rigorously the anti-foreign decree, with the result that Germans and Italians left the country in large numbers. Relations between the Brazilian and German Governments also became strained. At the beginning of June Brazil suspended all exports of cotton to Germany, and afterwards exports of

coffee also. In October Brazil requested the withdrawal of the German Ambassador, Dr. Karl Ritter, and withdrew her own Ambassador from Berlin. Nevertheless, in November barter trading with Germany was resumed, 10,000 tons of cotton being released for export.

#### CHILE.

In preparation for the Presidential election which was due to take place towards the end of 1938, the parties of the Right and of the Left formed blocs with a single candidate. The Right candidate selected was Don Gustavo Ross, the Left Sr. Aguirre Cerda, a Radical, who represented a "Popular Front" consisting of Radicals, Democrats, Socialists, and Communists. The National Socialists talked of nominating the ex-President Ibañez. On September 5 some of General Ibañez's supporters—mostly University students—took possession of some buildings near the Presidential Palace with revolutionary intent, but they were soon overpowered by the troops and the police. General Ibañez was arrested, but he cleared himself of all complicity in the outbreak. Nevertheless, he deemed it advisable to withdraw from the Presidential contest, and he advised his supporters to vote for Sr. Aguirre Cerda. In the election, which took place without disturbance on October 25, Sr. Aguirre Cerda, contrary to general expectation, was successful, obtaining 220,892 votes against 213,521 given to his opponent. The defeated candidate at first lodged a complaint against the conduct of the election, but afterwards withdrew it.

The Budget, which was submitted to Congress at the beginning of September, estimated revenue at 1,635,871,000 pesos (about 13,400,000*l.*) and expenditure at 1,635,770,000 pesos.

On June 2 Chile gave formal notice of withdrawal from the League of Nations, but stated that she would still participate in the International Labour Organisation, the Permanent Court, and the other technical bodies of the League.

#### MEXICO.

The award made by the Federal Board in December, 1937, in the dispute between the foreign oil companies and their employees, and which in effect mulcted the companies in nearly 2,000,000*l.* (*vide* ANNUAL REGISTER, 1937, p. 290), led to important complications in 1938. The companies appealed to the Supreme Court for an injunction, but at the end of February their appeal was refused. They thereupon issued a statement declaring once more that the conditions imposed by the Board were impossible to comply with, and that the verdict of the Court would have serious consequences for the companies, their employees, and

those dependent on the industry. As the companies made no endeavour to carry out the terms of the award, the Government on March 19 declared their property expropriated, at the same time offering to indemnify the companies. The latter refused to accept the offer, and sought to have both the Labour Board's award and the expropriation declared illegal.

The Government's action was very popular in the country, but was strongly disapproved of by the American and British Governments, to whom the companies had appealed, being regarded by them as purely confiscatory. In view of the financial condition of Mexico, President Cardenas's protestations that compensation would eventually be paid were received with scepticism. Nevertheless, the American Government merely pressed for speedy payment of the compensation; the British Government, however, demanded complete restitution.

As if to show that the offer of compensation was serious, the Chamber of Deputies in April approved unanimously without discussion a proposal of the President for a "National Redemption" bond issue of 100,000,000 pesos (10,000,000*l.* at par) for the payment of indemnities for the properties of the foreign oil companies. At the same time the President proposed to the companies that they should act as distributing agencies for the Government, an offer which they indignantly refused. On June 26 the National Redemption bond issue was suspended, as the money could not be raised, and the prospect of compensation receded into the background. Nevertheless, the Government would not hear of restoring the properties to the companies, and on June 7 the Federal Court declared the expropriation legal, while on September 6 the Supreme Court rejected their appeal against the award.

Apart from the question of the oilfields, Mexico became embroiled with Great Britain and the United States over other matters in which the rights of foreign owners were involved.

Early in the year Mexico gave great umbrage to Great Britain by neglecting to pay her an instalment of 370,962 pesos in connexion with British claims for losses arising from revolutionary actions between 1910 and 1920, while paying a similar instalment to the United States. Britain despatched a sharp Note which so angered the President that on May 14 he broke off diplomatic relations with Great Britain, at the same time sending a cheque for the amount claimed.

On July 21 the United States Government sent a Note to the Mexican Government calling attention to the fact that no compensation had yet been paid to American owners whose land in Mexico had been confiscated at various times in the past ten years to a total value of some \$10,000,000, and pointing out that prompt payment of just compensation was the recognised rule of law and equity in such cases. It also proposed arbitration.

The Mexican Government in reply rejected both the argument that prompt compensation should be paid and the proposal for arbitration. On August 23 Mr. Hull sent another Note, couched in much stronger terms, in which he charged Mexico with engaging in a policy of "bald confiscation which, if generally pursued, would seriously jeopardise the interests of all peoples throughout the world." President Cardenas again sent a defiant reply, but on second thoughts he modified his attitude and consented to the establishment of a joint Commission, consisting of one Mexican and one U.S. representative, which should examine the claims and attempt to arrive at a fair valuation, to be completed before June 1. He also agreed that Mexico should pay at least 200,000*l.* before that date and a minimum of 200,000*l.* yearly thereafter. He insisted, however, that this settlement was not to be taken as implying that a similar arrangement would be made with regard to the oil question.

On first taking over the oilfields the Government had declared that, unlike the companies, it would use them for democratic purposes only and would not supply Fascist Powers. Self-interest, however, proved too strong, and before the end of the year it had entered into a contract with the German Government to supply it with 3,400,000 barrels of oil, partly on a cash and partly on a barter arrangement. A contract with Italy was also being considered.

If the workers in the oilfields expected their position to be improved as a result of the transference of the fields to Government ownership they were disappointed, as not only were their wages not increased but they lost various additions—such as health insurance, etc.—which they had enjoyed under the companies. Nevertheless, their example proved infectious, and in September great unrest began to show itself in the mining industry, the workers demanding that it should be put under State control. The employees of one American-owned company struck work in defiance of a collective contract approved by the Government Labour Board itself, and there was a general demand among the workers for new collective contracts.

The assaults on foreign capital reacted unfavourably on the economic condition of the country, and this, along with the estrangement of the British and American Governments, created a strong feeling of unrest in the propertied classes. Taking advantage of this unrest, General Cedillo, a guerilla leader in the Province of San Luis Potosi, who was said to have a private army of 12,000 men and 50 aeroplanes of German and American make, raised the standard of revolt towards the end of May. The Government, however, suppressed his rising without difficulty.

As the year wore on Labour became still more self-assertive, under the leadership of Señor Lombardo Toledano and with



the support of the President. Early in September Congress passed a Bill for the unionisation of the Civil Service, which gave the 119,000 Government employees the right to strike and virtually placed them under the control of Labour. The Bill had been hotly debated in Congress and was finally passed only on the express direction of the President. Labour further strengthened its position by the organising of the first Latin-American Confederation of Labour at a four-day Congress held early in September in Mexico City. This was chosen as the headquarters of the new Confederation, and Señor Toledano became its first president.

In July the Chamber of Deputies recommended a change in the Constitution which would give women equal citizenship and suffrage with men.

#### GRAN CHACO.

At the end of June Paraguay rejected the boundary suggested by the neutral committee which had been set up in 1935 to delimit the Gran Chaco, and suggested an alternative line which was rejected by Bolivia. There was at one moment a danger that hostilities might again break out between the two countries, but by a final effort the commission induced the two parties to accept the western half of the line suggested by them, and to submit to arbitration on the eastern half. The nations chosen to arbitrate were the United States, Argentina, Brazil, Chile, Uruguay, and Peru, and on October 10 they presented an award representing a compromise between the line claimed by Paraguay and the limit accepted by Bolivia.

#### URUGUAY.

On March 27 polling took place for the election of a President to succeed Don Gabriel Terra. The successful candidate was General Alfredo Baldomir, a brother-in-law of President Terra, and, like him, a member of the Colorado Party. The new President assumed office on June 19 for a term of four years, with Dr. C. Charlone as Vice-President. In accordance with a pledge given immediately after his election, he appointed a Cabinet of the best men regardless of party affiliations.

PART II.  
CHRONICLE OF EVENTS  
IN 1938.

JANUARY.

1. In the New Year Honours a Viscounty was conferred on Lord Nuffield [Viscount Nuffield of Nuffield, in the County of Oxford]; and baronies on Field-Marshal Sir William Birdwood [Baron Birdwood of Anzac, and of Totnes, in the County of Devon]; Sir Leonard Brassey, Bt. [Baron Brassey of Apethorpe, of Apethorpe, in the County of Northampton]; Sir John Ganzoni, Bt. [Baron Belstead of Ipswich, in the County of Suffolk]; Sir Henry Yarde Buller Lopes [Baron Roborough of Maristow, in the County of Devon]; and Sir Percival Perry [Baron Perry of Stock Harvard, in the County of Essex].

5. Foundation announced of a National Institute of Economic and Social Research, established with the assistance of grants made available for the purpose by the Sir Halley Stewart Trust, the trustees of the late Lord Leverhulme, the Pilgrim Trust, and the Rockefeller Foundation.

7. Dr. Lewis W. Douglas was installed as Principal and Vice-Chancellor of McGill University.

13. *The Times* announced that Mr. William Harpham Rhodes, a Bradford business man, had established a trust fund with a gift of 25,000*l.*, which will enable 50 senior secondary schoolboys to visit Canada each summer for the next 10 years, beginning this year.

17. Mr. and Mrs. Enoch Haughton, of Stoke-on-Trent, made a gift of 25,000*l.* to the North Staffordshire Royal Infirmary for the erection of a medical building with ancillary services.

26. Celebration began at Sydney of the 150th anniversary of the founding of the first Australian colony.

FEBRUARY.

17. A violoncello and a violin by Stradivari were sold at Puttick & Simpson's rooms, New Bond Street, for 1,500*l.* and 1,250*l.* respectively.

22. The Exeter by-pass road, which has cost 230,000*l.*, was opened by the Minister of Transport.

25. A portrait by Rembrandt of his father was sold at Christie's to Sir Edward Mountbatten for 7,000 guineas.

### MARCH.

3. *The Times* announced the formation of a Watercress Section of the National Farmers' Union.

6. Trolley-buses replaced tramcars for the first time on seven London routes north of the Thames.

12. *The Times* announced that Hudnall Common, an open space of 116 acres in Hertfordshire, had come into the possession of the National Trust.

15. The B.B.C. began a service of broadcast news bulletins in Spanish and Portuguese for listeners in Central and South America.

17. The Royal Flemish Academy of Science, Letters, and Fine Arts was created. (Belgium thus has separate royal academies of the French and the Flemish languages.)

26. For the first time a woman, Mrs. A. E. Haswell Miller, of Slateford, Edinburgh (wife of the Keeper of the Scottish National Portrait Gallery), was elected an associate member of the Royal Scottish Academy.

29. A German seaplane flew from Start Bay, Devon, to Caravillas, between Bahia and Rio de Janeiro, a distance of approximately 5,100 miles in 43 hours, thus establishing a new record for seaplanes.

— A life barony was conferred on Sir Samuel Lowry Porter, on his appointment to be a Lord of Appeal in Ordinary, by the style and title of Baron Porter of Longfield, in the County of Tyrone.

31. Mrs. J. H. Keene, of Galleywood, Chelmsford, offered 10,000*l.* for Church extension in the London area of the diocese of Chelmsford. This was Mrs. Keene's second gift of 10,000*l.* for Church work.

### APRIL.

2. Oxford beat Cambridge in the Ninetieth University Boat Race from Putney to Mortlake.

10. Summer time commenced at 2 A.M.

17. Mr. Christopher Nicholson, of the London Gliding Club, set up a new British record by gliding 122 miles, as against the previous record of 104 miles made by Mr. P. A. Wills in July, 1936.

17. A well-known Surrey mansion, Silverbeck, Churt (where the late Mr. J. C. Hook, R.A., lived and worked), was almost totally destroyed by fire.

18. Yet another British distance record for gliding was established by Mr. J. S. Fox who flew 144 miles.

22. Mr. Alfred R. Thomson, painter, and Mr. Edward Maufe, architect, were elected Associates of the Royal Academy.

— Mr. F. H. Broadbent beat Miss Jean Batten's record for solo flight from Australia to England by nearly 13 hours.

29. Dr. Alekhine, the World Chess Champion, won the Premier Tournament in the Easter Chess Congress at Margate.

## MAY.

2. Centenary celebration of Manchester as a borough.

3. King George VI, accompanied by Queen Elizabeth, opened the Empire Exhibition at Glasgow.

5. Dr. J. K. M. Rothenstein, Director of the City Art Galleries and Ruskin Museum, Sheffield, appointed Director and Keeper of the Tate Gallery, in succession to Mr. J. B. Manson.

10. *The Times* announced that Mr. A. C. Greg, of Norcliffe Hall, Styal, and of Acton Bridge, Northwich, had offered to the National Trust a property at Styal, on the outskirts of Manchester.

13. At a meeting held in the Signet Library, Parliament House, Edinburgh, it was decided to establish a Scottish branch of the Royal Institute of International Affairs.

14. Two gifts by Lord Nuffield were announced, one of 50,000*l.* to the fund for the building of the London University Students' Union, and the other of 20,000*l.* to the Banbury Hospital Fund.

— Queen Mary opened Lynden Hall, South Woodford, the new hall of residence for women students of Queen Mary College, Mile End Road.

— Mlle. Elizabeth Lion beat the airwomen's long-distance record, made by the late Miss Amelia Earhart, on landing at Abadan, near Basra, after having flown 7,500 miles from her starting-point at Istres, in France, which she had left on Friday morning, May 13.

17. An accident, one of the worst of its kind in the history of the London Underground Railways, occurred when an Inner Circle train ran into a stationary Barking train between Charing Cross and Temple Stations. Six people were killed, and 40 injured. It is 31 years since a passenger was killed on the Underground Railway as the result of a collision.

19. Mr. Harry Oakes, a Vice-President of St. George's Hospital, who had already made a gift of 20,000*l.* to the Hospital, made another gift of 60,000*l.*

20. Celebration of the Fifth Centenary of All Souls College, Oxford.

— *The Times* reported that a site comprising 220 acres at Merstham in Surrey had been selected for the National College of Physical Training, to be erected under the Physical Training and Recreation Act for the training of teachers.

## JUNE.

1. The Derby was won at Epsom by Mr. P. Beatty's Bois Roussel, ridden by E. C. Elliott and trained by F. Darling.

3. *The Times* announced that Lord Bearstead had made a gift of 18,000*l.* to the Oxford University appeal; the sum is to be used for enlarging the Ashmolean Museum.

7. *The Times of India* celebrated the centenary of its foundation.

9. In the Birthday Honours Lord Stonehaven and Lord Weir became Viscounts, and Baronies were conferred on Mr. Vivian Hugh Smith [Baron Bicester of Tusmore, in the County of Oxford], and Sir Josiah Stamp [Baron Stamp of Shortlands, in the County of Kent].

28. Mr. Walter T. Monnington, A.R.A., painter, was elected a Royal Academician.

## JULY.

1. Dr. Harold Temperley was elected Master of Peterhouse, Cambridge, in succession to Lord Birdwood, retired.

3. A stream-lined locomotive of the London and North-Eastern Railway, drawing seven stream-lined coaches, attained a speed of 125 miles an hour on a straight stretch of track between Grantham and Peterborough.

10. Centenary celebration of Birmingham as a borough.

11. Mr. Howard Hughes and four companions, who left the Floyd Bennett aerodrome at 11.20 P.M. (G.M.T.) on July 10 in their Lockheed monoplane, "New York World's Fair," in an attempt to beat the record for a flight round the world, successfully completed their first stage by landing at Le Bourget at 4.55 P.M. summer time. They thus accomplished the journey in the record time of 16 hours 35 minutes at an average speed of 223 miles an hour.

14. Mr. Howard Hughes and his four companions ended their flight round the world in their monoplane, "New York World's Fair," at 2.37 P.M. (local time)—3 days 19 hours 17 minutes from the time they started on

July 10. They had beaten by nearly four days the record set up by Wiley Post in 1933 of 7 days 18 hours 49 minutes. The last stretch of their flight, from Minneapolis to New York, 1,054 miles, was covered in 4 hours and 24 minutes, with the aid of a 40-mile-an-hour tail wind, at the highest average speed of any part of their long journey.

18. Mr. Douglas Corrigan, an American, aged 30, landed at Baldonnell Aerodrome, near Dublin, at 2.30 p.m. having flown across the Atlantic from New York in 28 hours 13 minutes.

20. Mr. F. W. Ogilvie, President and Vice-Chancellor of the Queen's University, Belfast, was appointed Director-General of the B.B.C. in succession to Sir John Reith, to take up his duties on October 1.

— "Mercury," the uppermost component of the Short-Mayo composite aircraft, after leaving Foynes sea-base, Co. Limerick, on July 20, alighted on the St. Lawrence River at Boucherville, near Montreal, after making the shortest East to West crossing of the North Atlantic on record. She immediately flew on to New York, which she reached two hours later; and both in Montreal and New York, the previous day's copies of *The Times* and other London dailies which she carried were on sale.

## AUGUST.

1. The public appeal for funds made by the University of Oxford brought in 463,121l.

15. The *Queen Mary* arrived at Southampton, having completed the journey between New York and Cherbourg at an average speed of 31·72 knots.

— The First Imperial Veterinary Conference was opened in London.

28. On Bonneville Salt Flats, Utah, Captain Eyston broke the world's land speed record by driving his car "Thunderbolt" both ways over a measured mile at an average speed of 345·49 miles per hour.

## SEPTEMBER.

14. Slough was granted its charter of incorporation as a borough. The presentation was made by Lord Cottesloe, Lord-Lieutenant of Buckinghamshire.

17. The 229th anniversary of the birth of Dr. Samuel Johnson was celebrated at Lichfield.

25. Chingford became a borough; its charter of incorporation was presented by the Lord Mayor of London.

27. Queen Elizabeth at Clydebank launched the world's largest liner, which bears her name.

29. Kettering became a borough ; its charter of incorporation was presented by the Marquess of Exeter, Lord-Lieutenant of Northamptonshire.

— Sir Frank Bowater was elected Lord Mayor of London for the ensuing year.

— Mr. J. R. H. Weaver was elected President of Trinity College, Oxford, in succession to Dr. Blakeston, resigned.

## OCTOBER.

1. Dagenham became a borough ; its charter of incorporation was presented by Mr. George Lansbury, M.P.

2. Summer time ended. [See April 10.]

5. Dr. Cecil Maurice Bowra was elected Warden of Wadham College, Oxford, in succession to Mr. J. F. Stenning, resigned.

11. The Air Raid Protection Institute, a new technical body, was founded.

12. A memorial column was unveiled at Southampton to mark the centenary of the laying of the foundation-stone of the Southampton Docks.

22. Lieut.-Col. Mario Pezzi, flying to a height of 56,017 feet, established a new height record.

25. Sir Alfred Herbert made a gift of 100,000*l.* to Coventry for the erection of an art gallery and a museum.

26. Two gifts were made by Lord Nuffield ; one of 25,000*l.* towards a fund to enable the Institution of Production Engineers, of which he is the President, to proceed at once with the creation of its proposed Production Engineering Research Department ; and the other of 10,000*l.* to the funds of the Coventry and Warwickshire Hospital, which is celebrating its centenary.

29. King George VI and Queen Elizabeth visited Norwich, where the King opened the new City Hall.

— The Empire Exhibition at Glasgow closed, having been visited by 12,593,232 people. [See under May 3.]

31. The *Sheffield Daily Independent*, founded in 1819, was amalgamated with the *Sheffield Telegraph*, the first issue appearing as the *Sheffield Telegraph and Daily Independent*.

## NOVEMBER.

5. It was announced that Lord Nuffield had given 50,000*l.* to start a fund for the provision of sports facilities for the Territorial Army.

5. Three Royal Air Force bombers left Egypt for Australia, a distance of 7,162 miles, flying at an average speed of 149 miles per hour. They reached Darwin 48 hours after leaving Egypt, and thus gained the air record for non-stop flying.

10. The 1938 Nobel Prize for Literature was awarded to Pearl Buck, the American authoress, and the 1938 Nobel Prize for Physics to Professor Enrico Fermi, of Rome.

11. King George VI made a gift to the Corporation of Windsor of some 77 acres in that part of the Home Park, Windsor, known as the Home Park Public.

17. The Nobel Peace Prize for 1938 was awarded to the Nansen Office for Refugees in Geneva.

— Mr. William P. Gibson was appointed Keeper of the National Gallery as from January 1, 1939.

25. The formation of the Dick Sheppard Trust was announced.

28. Lord Nuffield made a gift of 25,000*l.* towards a new building for the Student Movement House.

## DECEMBER.

5. Mr. Frederick William Elwell, A.R.A., painter, was elected a Royal Academician.

10. Sir Edwin L. Lutyens, K.C.I.E., R.A., was elected President of the Royal Academy, in succession to Sir William Llewellyn, G.C.V.O., retired.

13. The first list of contributions to the Baldwin Fund for Refugees showed a total of 43,619*l.*

14. The Royal Australasian College of Physicians was inaugurated in the great hall of the University, Sydney.

15. The Most Rev. John Gregg, Archbishop of Dublin, was elected Archbishop of Armagh and Primate of All Ireland.

— Five Glasgow Hospitals received cheques totalling 160,000*l.* from the accumulated interest on the residue of the estate of Sir Thomas Lipton, who died in October, 1931. Glasgow Royal Infirmary, the Western Infirmary, the Victoria Infirmary, the Royal Hospital for Sick Children, and Glasgow Eye Infirmary, each benefited by 32,000*l.*, and a cheque for 2,000*l.* was presented to Cambuslang Institute.

16. Lord Rothschild offered Tring Park, including the mansion and certain parts of the grounds, as a gift to the Trustees of the British Museum (Natural History).



19. Mr. John P. R. Maud, M.A., Dean of University College, Oxford, was elected Head of Birkbeck College (University of London).

20. Mrs. Eveline M. Lowe was nominated for the Chairmanship of the London County Council. Mrs. Lowe is the first woman to be Chairman of the Council.

31 There was a deficiency of rainfall during the year; at Rothamsted the total rainfall for February to September was 9·05 in. as against the average of 17·89 in. The temperature was on the whole above the average. As regards sunshine, the summer showed returns below the average.

# RETROSPECT

OF

## LITERATURE, ART, AND SCIENCE IN 1938.

### LITERATURE.

(Books marked with an asterisk are specially noticed at the end of this section.)

THE present state of letters has reached a crisis whose magnitude is but reflected in the European panic of recent months. The complaints and dissatisfactions to which this survey in previous years has given voice in somewhat pessimistic tone came to a head in a series of articles on "Present Discontents" in *The Times Literary Supplement* in August. The indictment was severe. *The Times* correspondent endorsed Mrs. Virginia Woolf's castigation of the "intellectual harlotry" of to-day. The testimony of European writers of great distinction proved that this was no local phenomenon in England but a disease epidemic in Europe and America. "The literary market . . . has become a brawl of hucksters, preachers, charlatans and gangsters in which the *homme de lettres*, once honoured and respected, now steps at his peril." The position could hardly be better summed up than in these words: "The standards have been destroyed and the values adulterated; freedom has perished and the republic of letters has been taken over by dictatorships, commercial and ideological; and, while the trade of writing offers more valuable money-prizes than ever before, and the activity of writing is more and more made use of, the art of writing is perishing for want of sustenance, respect and love." A fundamental element in the present decline is discussed by M. Georges Duhamel *In Defence of Letters* (Dent) in his plea for the continuance of the critical review: "The reviews are indispensable to the intellectual equilibrium of the countries that to-day guard our civilisation. . . . To keep a review alive it needs not only money and hard work but faith and love and unselfish devotion. . . . Continuity of thought, creative meditation, active study, can only be preserved with the help of the literary reviews that survive. . . . The disappearance of even one review, just now, when intelligence is being restricted in its functions, would be a misfortune." Such a misfortune, a major tragedy in English letters, occurred with the death, on the last day of the year, of *The Criterion* (Faber) so brilliantly conducted by Mr. T. S. Eliot for the previous sixteen years. In a moving valedictory article Mr. Eliot gives his reasons and his forebodings. A paper whose aim was "to provide in London a local forum of international thought" comparable to the *Nouvelle Revue*

*Française*, the *Neue Rundschau*, *The Dial*, and others in Spain and Italy, is not lightly laid down. The scattering of contributors from their foyer of intellectual nourishment, the imprisonment and destruction of some of the best European minds, the lack of widespread welcome of serious critical thinking, all combined to increase the editor's burden, and, with the crisis with its attendant depression, "so different from any other experience of fifty years as to be a new emotion," the decision had to be made. The loss is irreparable, since *The Criterion*, and in its comparatively short career, Mr. Edgell Rickword's *Calendar of Modern Letters*, upheld the intellectual conscience of England and maintained critical standards of judgment to an intensity not hitherto seen. The sole survivor is the *Calendar's* successor *Scrutiny*, which has a stiff task before it to implement Mr. Eliot's view that, "For this immediate future, perhaps for a long way ahead, the continuity of culture may have to be maintained by a very small number of people indeed—and these not necessarily the best equipped with worldly advantages. It will not be by the large organs of opinion, or the old periodicals; it must be the small and obscure papers and reviews, those which hardly are read by anyone but their own contributors, that will keep critical thought alive, and encourage authors of original talent." A welcome symptom, however, was the regeneration of *The Nineteenth Century* under the new editorship of Mr. F. A. Voigt, with a renewed emphasis on poetry and criticism. Mr. Voigt's profoundly philosophical survey of European conditions in \* *Unto Cæsar* (Constable) provided him with more than adequate credentials.

For the populace, on the other hand, the number of periodicals increases, particularly those in which pictorial illustration tends to supersede the printed text. From Germany the influence has been twofold, the brilliant *Querschnitt*, founded by the late Alfred Flechtheim, the art dealer to whom Germany owed her acquaintance with that modern art now so much in disgrace, first set the fashion for witty confrontation of photographs, silent satire, and alert contemporary omniscience. *Lilliput* and similar magazines followed. The other strain led to the French and American popular picture papers with much "reportage," that new literary "find." The intellectual and semi-intellectual demands of this newer journalism have given place to the colossal circulation of *Picture Post*, which he who runs at modern speed may read. The artistic propaganda of the *Querschnitt* survives in the provision of a weekly artistic biography reinforced by reproductions of paintings, and, in the modern taste, of the artist's drawings.

In these days of anxiety concerning freedom of intellectual expression, the altercation between Mr. Alfred Noyes and the Catholic Church concerning his book on *Voltaire* attracted considerable attention, more on a matter of principle than on the merits of the work under discussion, and resulted in the unusual expedient of transferring the work originally published in June by Sheed & Ward to the care of Faber & Faber in September.

The difficulties of the past year inevitably resulted in a drop in the number of volumes published. 1937 was a record year, and it is estimated

by *The Bookseller* that 918 fewer volumes were published in 1938. Increases were noted in biography and memoirs, as well as in technical matters such as electricity, aeronautics and engineering. It is sad to note that poetry and drama, as well as classics and translations, dropped substantially, and that essays and *belles-lettres*, an omnibus classification it is true, fell from 462 to 363, but it is however a comfort to find that fiction numbered 410 volumes less, although still leaving the total terrifically high at 4,687.

Although the yield in poetry and drama has been scanty this year, critical discussion of these two categories has not been lacking. Mr. Louis MacNeice, himself poet and dramatist, in *Modern Poetry: A Personal Essay* (Milford), defended "impure poetry, that is poetry conditioned by the poet's life and the world around him," and recommended his friends Auden, Spender and Day Lewis. Mr. Herbert Read in his *Collected Essays in Literary Criticism* (Faber & Faber) invoked the aid of psycho-analysis in one or other of its schools; Miss Mary Colum, in a fascinating volume, *From These Roots* (Cape), explored the ideas, critical and aesthetic, which have made modern literature; Mr. Michael Roberts in his account of *T. E. Hulme* (Faber) took us back to a figure whose influence on the Imagist movement in poetry and on the art of thinking and discussion has often been alluded to by his unofficial pupils. The best volume of literary criticism was *The Triple Thinkers* (Oxford University Press), in which Mr. Edmund Wilson, author of that brilliant analysis of modern tendencies *Axel's Castle*, in measured and urbane prose recreated the late Paul Elmer More in a remembered conversation, urged the recognition of prose as the modern successor to verse as a vehicle of literature, penetrated to part of the mystery of Bernard Shaw, Henry James, Samuel Butler and Flaubert, had wise words of the middle on "Marxism and Literature," and offered his credentials in a brave translation of Pushkin's "Bronze Horseman," with a suggestive hint on Byron's achievement in "Don Juan." In *Footnotes to the Theatre* (Peter Davies) a number of authorities and essayists gave their view of the disease, its symptoms and treatment. In a team of uneven quality the best are Mr. Komisarjevsky who sketches the fluctuations in modern staging, with perhaps a little too much sneering at Russian practice, and Mr. Alastair Cooke, who deals lightly but penetratingly with the differences between Shaftesbury Avenue and Broadway. Mr. Norris Houghton, in the English edition of his *Moscow Rehearsals* (Allen & Unwin), gave an intimate and sincere account of Russian theatrical practice which may encourage the more serious members of the little theatre movement in this country. For the Cinema, one of the most brilliant books of recent years, somewhat overlooked, as such books tend to be, was Mr. Vladimir Nilsen's *The Cinema as a Graphic Art* (Newnes). Until Mr. S. M. Eisenstein's long-awaited work appears, this is likely to remain an almost adequate substitute. For the Ballet, Mr. Serge Lifé gave his *Ballet Traditional to Modern* (Putnam). This arose out of a lecture to the 2nd Congrès International d'Esthétique et de Science de l'art in 1937, and deals with "Choreology—The Science of Dancing."

The poets themselves have been various, in bulk, in direction, and in

significance. Mr. Robert Graves in *Collected Poems* (Cassell) added fifty unpublished pieces to a selection of his previous work, arranged to illustrate "the struggle to be a poet in more than a literary sense." The five stages of this struggle as laid down in his prefatory words help us, not to take him more seriously, for no modern poetry is more essentially serious than Mr. Graves, but to treat him as a "Guide for the Perplexed" sorely needed to-day. *The Collected Poems* of Miss Laura Riding (Cassell) still need some such guide for the more general reader. Of the known talents Mr. James Stephens has given himself a holiday in *Kings and the Moon* (Macmillan), and Mr. C. Day Lewis in *Overtures to Death* (Cape) has, in the opinion of his admirers, been marking time. Mr. Louis MacNeice, who is rapidly being promoted to a partnership in the new poetical group, offers a lively set of credentials in *The Earth Compels* (Faber), including a bagpipe poem of considerable musical ingenuity and accomplishment. Of the newcomers Mr. Kenneth Allott is said to be snatching at the mantle of Mr. Auden in his *Poems* (Hogarth Press) and Mr. F. T. Prince to be sharing the cloak of Mr. Eliot in his *Poems* (Faber). The quiet and clean sincerity of Mr. C. H. Peacock in *Poems* (Chatto & Windus) and the sensitive beginnings of Miss Sheila Wingfield (Cresset Press) should not go unrecorded. Poets of greater intensity included Mr. Edgar Lee Masters with *The New World* (Appleton-Century), an epic of the American Continent, and Mr. Frederic Prokosch with *The Carnival* (Chatto & Windus). Mr. Christopher Hassall's tough title *Penthesperon* (Heinemann) was fortunately contradicted by the easy texture of his verse.

Anthologies still continue to act as beacons, or even as gleaners. Mr. Maurice Wollmann issued a balanced selection of *Poems of Twenty Years, 1918-1938* (Macmillan), and Messrs. G. Grigson and D. Kilham Roberts again chose the best of *The Year's Poetry, 1938* (Lane). Messrs. T. F. Higham and C. M. Bowra edited a satisfying *Oxford Book of Greek Verse in Translation* (Clarendon Press), Mr. Seán O'Faoláin in *The Silver Branch* (Cape) assembled the best old Irish lyrics variously translated, while Mr. Louis Untermayer presented *The Poems of Heinrich Heine* (Cape) to such purpose as to earn from Mr. Stephen Spender, that most brilliant translator of Rilke and Hölderlin, the highest possible praise as "far the best translation of Heine ever made." Mr. W. H. Auden provoked a storm from every kind of vested poetical interest with his *Oxford Book of Light Verse* (Milford), but kept closer home in an introduction to Mr. John Mulgan's selection of *Poems of Freedom* (Gollancz).

The published drama included Mr. Maxwell Anderson's *Winterset* and his *Masque of Kings* (Lane), Mr. Keith Winter's *Old Music* (Heinemann), Mr. Charles Morgan's hotly questioned *The Flashing Stream* (Macmillan), Mr. James Bridie's *King from Nowhere* (Constable), Mr. H. F. Rubinstein's *Johnson was no Gentleman* (Gollancz), Mr. Jean Giraudoux's *Amphitryon 38* (Random House) in an adaptation by S. N. Behrman, and Messrs. Auden and Isherwood's new "Melodrama" on dictatorship, \**On the Frontier* (Faber & Faber). Mr. B. H. Clark issued a revised edition of his valuable *Study of the Modern Drama* (Appleton) and the earlier stage was represented by Mr. Armstrong's *Fanny Kemble* (Macmillan). Mr. T. H. Dickinson

edited a richly informative survey of \* *The Theatre in a Changing Europe* (Putnam). The adjacent arts were well served in Mr. Arnold Haskell's brilliant Penguin introduction to *Ballet*, Messrs. C. W. Beaumont and Sacheverell Sitwell's lavish and nostalgic *Romantic Ballet in Lithography of the Time* (Faber & Faber), and Miss Merlyn Severn's *Ballet in Action* (Lane) with its 230 photographs from forty ballets. A comprehensive survey of the cinema appeared in Maurice Bardèche and Robert Brasillach's *History of the Film* (Allen & Unwin), translated and edited by the curator of America's film archive, Miss Iris Barry.

Art history, since its expulsion from Germany, seems to take a larger place in English publication than before, and some important works helped to raise the year's level. Mr. A. U. Pope completed his great *Survey of Persian Art from Prehistoric Times to the Present* (Oxford University Press) in an ordinary edition of seven volumes at 36l. 15s. and an edition de luxe in ten volumes at 68l. 5s. Professor Oswald Sirén produced a learned history of *Later Chinese Painting*, 2 vols. (Medici Society). The British Museum issued an important work on *Assyrian Sculptures in the British Museum from Shalmaneser II to Sennacherib* (Oxford University Press), and the National Gallery a fascinating and inexpensive *One Hundred Details from Pictures in the National Gallery* (Simpkin Marshall) in which the Director, Sir Kenneth Clark, presented a hundred almost unknown works to the public. Of a more comprehensive nature was Professor Tancred Borenius's edition of L. Hourticq's *Encyclopedia of Art* (Harrap). Spanish art received fair attention in Miss E. Harris's *Spanish Painting* (Gifford), Mr. D. F. Darby's *Francesco Ribalta and her School* (Oxford University Press), and the generous Phaidon edition of nearly 250 plates of *El Greco* (Allen & Unwin). British art in its varied phases was dealt with in the useful *Annual Bibliography of the History of British Art, 1936* (Cambridge University Press), in T. D. Kendrick's *Anglo-Saxon Art to A.D. 900* (Methuen), in A. G. Christie's *English Mediæval Embroidery* (Oxford University Press), in T. F. G. and H. Dexter's *Cornish Crosses, Christian and Pagan* (Longmans), in R. S. Loomis's pioneer *Arthurian Legends in Mediæval Art* (Oxford University Press), in C. F. Bell's *Annals of Thomas Banks* (Cambridge University Press), and Dr. George's fascinating *Catalogue of Political and Personal Satires in the British Museum* (Oxford University Press). On architecture the classical period was dealt with by Sir Reginald Blomfield in *Sebastian de Vauban, 1633-1707* (Methuen), and the modern period by A. L. Kocher and S. Beines on the architecture and the charming and now ubiquitous furniture of the Finnish *Alvar Aalto* (Allen & Unwin). The most readable of all art books of the year was *The Journal* of Eugène Delacroix (Cape), and one of the most topical a suggestive Penguin book on *Design*, by Mr. Anthony Bertram.

Literary history had but a thin output. The year of the Bible quatercentenary produced some desultory studies of the history of the English Bible, but serious attention was paid to Tyndale's pioneer work in *The New Testament translated by William Tyndale, 1534*, edited by N. Hardy Wallis for the Royal Society of Literature (Cambridge University Press), and S. L. Greenslade, *The Work of William Tindale* (Blackie). A number

of early writers received long overdue attention, in Mr. L. J. Lloyd's *John Skelton, An Account of his Life and Writings*, Mr. W. Murison's *Sir David Lyndsay, Poet and Satirist of the Old Church in Scotland* (Cambridge University Press), and the brilliance and resources of American scholarship were displayed by Miss Lily B. Campbell in her edition of *The Mirror of Magistrates* (Cambridge University Press) from original texts in the Huntington Library. A useful survey and bibliographical guide to *The English Renaissance* (Cresset Press) was compiled by Professor V. da Sola Pinto, and in that period some valuable works appeared, Professor H. B. Charlton's brilliant analysis of *Shakespearean Comedy*, fit companion to Bradley's *Shakespearean Tragedy*, Mr. L. C. John's very fully studied account of *The Elizabethan Sonnet Sequences* (Oxford University Press). Mr. J. Bakeless added a few facts to the story of *Christopher Marlowe* (Cape), Mr. E. I. Fripp published the result of his long-standing local enthusiasm in *Shakespeare, Man and Artist*, 2 vols. (Oxford University Press), Mr. E. M. W. Tillyard explored *Shakespeare's Last Plays* (Chatto) and Professor E. E. Stoll was as provocative and stimulating as ever on *Shakespeare's Young Lovers* (Oxford University Press). A very alert analysis was Miss U. M. Ellis Fermor's survey of *Some Recent Research in Shakespeare's Imagery* (Oxford University Press). The monumental edition of *Ben Jonson's Plays*, under the editorship of Mr. Percy Simpson (Clarendon Press), reached volume vi with "Bartholomew Fair" and four other plays; and two interesting subsidiary studies helped to illuminate English Renaissance literature, Mr. R. R. Cawley's *The Voyagers and Elizabethan Drama* (Oxford University Press) and Mr. F. R. Bryson's *The Sixteenth Century Italian Duel, a study in Renaissance social history* (Cambridge University Press). A not always remembered figure was treated in M. M. Kastendieck's *England's Musical Poet, Thomas Campeon* (Oxford University Press).

The seventeenth century has apparently declined from its eminence of a few years ago. A generous "Festschrift" bore testimony to the powerful influence on *Seventeenth Century Studies* of Professor H. J. C. Grierson (Oxford University Press), Mr. E. M. W. Tillyard surveyed *The Miltonic Setting* (Cambridge University Press), a much neglected American work was issued in a new edition, Miss M. Ornstein's *Role of Scientific Societies in the 17th Century* (Cambridge University Press), and Mr. Lawrence Whistler, in a study of *Sir John Vanbrugh, Architect and Dramatist* (Cobden Sanderson), threw some new light on the structure of the Haymarket Theatre. For the eighteenth century Professor D. Nichol Smith's *Some Observations on 18th Century Poetry* (Oxford University Press) provided a richly based introduction, and Mr. G. Tillotson, one of the new Pope enthusiasts, wrote on *The Poetry of Pope* (Oxford University Press) with an interesting chapter on early poetic diction. A study of *Thomas Gray, Scholar*, by Mr. W. P. Jones (Oxford University Press), drew attention to an important side of the poet's activities. One of the most fascinating volumes on the period was a long overdue account of *Lichtenberg's Visits to England* (Oxford University Press) with translations of those vivid and unparalleled descriptions of Garrick and others in action on the stage.

Mr. D. Macmillan's *Drury Lane Calendar, 1747-1776* (Oxford University Press), was a fundamental document for Garrick's share in the English theatre of his time. Mr. John Mair gave an agreeable account of an old scandal in *The Fourth Forger, William Ireland and the Shakespeare Papers* (Cobden Sanderson), and the more serious, if more truculent, scholarship of the time was surveyed by Mr. B. H. Bronson in *Joseph Ritson, Scholar at Arms*, 2 vols. (Cambridge University Press). A valuable insight into the commercial side of literature was given by Mr. Theodore Besterman in his arrangement of the correspondence and accounts of *The Publishing Firm of Cadell and Davies, 1793-1836* (Oxford University Press). The story of the fascinating vogue for tales of terror was told by Mr. Montague Summers in *The Gothic Quest* (Fortune Press).

For the Romantic Period little was done. Two lives of Coleridge appeared, Sir E. K. Chambers' *Samuel Taylor Coleridge* (Oxford University Press), a dispassionate account of the biographical facts, and Mr. Laurence Hanson's *Life of S. T. Coleridge, The Early Years* (Allen & Unwin) on a more intimate score. R. G. Grylls gave an account of *Mary Shelley* (Oxford University Press), and the life of *Thomas Griffiths Wainewright, 1794-1847*, the art critic and poisoner so charmingly described by Oscar Wilde, was given by Mr. J. Curling (Nelson). An intimate picture of *Crabb Robinson's* views on Men and Books was given by Professor Edith Morley, 3 vols. (Oxford University Press). A guide to the later period was provided by Professor Bonamy Dobrée and Miss E. Batho in *The Victorians and After* (Cresset Press), and Miss Amy Cruse continued her browsings in memoirs and other revealing documents concerning popular taste in literature in *After the Victorians (1887-1914)*, (Allen & Unwin). Mr. Carleton Stanley wrote on *Matthew Arnold* (Oxford University Press) and Mr. A. M. Turner on *The Making of the Cloister and the Hearth* (Cambridge University Press). An important collection in three volumes of the *Letters of Charles Dickens* was included by the Nonsuch Press in their complete edition of Dickens. American literature seemed content with a threefold exploration of Walt Whitman's activity, the *Complete Poetry and Selected Prose and Letters* (Nonsuch Press), a serious study by Newton Arvin of *Walt Whitman* (Macmillan), and a charmingly persuasive mountain made out of a molehill of indebtedness to George Sand in Esther Shepherd's *Walt Whitman's Prose* (Macmillan). Dr. E. A. Baker brought his *History of the English Novel* to quite modern times in his ninth volume (Witherby), the late Sir Charles Firth's profound *Essays Historical and Literary* (Oxford University Press) were collected, the late Christopher Caudwell bequeathed a brilliant critical legacy in his survey of "Bourgeois Intellectuals" in *Studies in a Dying Culture* (Bodley Head), and Mr. A. S. Cairncross collected a varied volume of *Modern Essays in Criticism* by different authors (Macmillan).

In foreign literature some important volumes appeared: Dr. C. S. Gutkind's *Cosimo de Medici, 1389-1464* (Oxford University Press), and A. H. Gilbert's *Machiavelli's "Prince" and its Forerunners* (Cambridge University Press), in Italian literature; Miss Enid Starkie's *Arthur Rimbaud* (Faber & Faber), Mr. D. McDougall's *Madeleine de Scudery* (Methuen),



Sister Haley's *Racine and the art Poétique* (Oxford University Press), and K. W. Hooker's *The Fortunes of Victor Hugo in England* (Oxford University Press), for French; L. W. Kahn's *Social Ideals in German Literature, 1770-1836* (Oxford University Press), and David Gascoyne's first attempt at an important subject in *Hölderlin's Madness* (Dent), for German literature. Mr. A. F. Bell's accomplished *Castilian Literature* (Clarendon Press) was a welcome addition to the scanty literature in English on Spanish matters. Mr. L. Schwartz edited a revealing *Golden Treasury of Jewish Literature* (Baker), and the Penguin series included a good sixpennyworth of *Tales from Chekhov*.

In history the production was respectable without being in any way startling. In ancient history Mr. F. Altheim's *History of Roman Religion* was translated (Methuen), and volume 4 appeared of T. Frank's *Economic Survey of Ancient Rome* (Oxford University Press). M. Maxby's *Occupations of the Lower Classes in Roman Society* (Cambridge University Press) broke new ground. Volumes 17, 18 and 19 of Ludwig von Pastor's *History of the Popes* appeared (Kegan Paul). S. C. Chew's *The Crescent and the Rose* (Oxford University Press) was a study of Islam and England during the Renaissance. Professor C. H. Williams assembled a provocative picture of *The Modern Historian* (Nelson). The late Professor A. E. Levett's *Studies of Manorial History* were edited by H. M. S. Cam and S. M. Coate (Oxford University Press). W. K. Jordan wrote on *The Development of Religious Toleration in England* (Allen & Unwin), G. H. T. Kemble on *Geography in the Middle Ages* (Methuen), and J. A. Williamson a remarkable study of \* *The Age of Drake* (Black). An interesting collection was W. H. Dunham and S. Pargelles's *Complaint and Reform in England, 1346-1714* (Oxford University Press), printing fifty writings of the time on Politics, Religion, Society, Economics, Architecture, Science and Education. Part of this period was covered by W. H. Dawson's *Cromwell's Understudy*, the life and times of General John Lambert (Hodge), by J. H. Owen's *War at Sea under Queen Anne, 1702-8* (Cambridge University Press), and by David Mathew's *The Jacobean Age* (Longmans). One of the ripest books of the year was Dr. G. G. Coulton's \* *Medieval Panorama* (Cambridge University Press), the result of a lifetime of mediæval studies. Political thought and practice loomed large. Professor J. W. Allen gave the first volume of his \* *English Political Thought* (Methuen), covering the period from 1603 to 1644. Dr. Keith Feiling wrote on \* *The Second Tory Party, 1714-1832* (Macmillan), Professor Harold Temperley and Lillian M. Penson on *The Foundations of British Foreign Policy, 1792-1902* (Cambridge University Press), giving 200 documents illustrative of the habits of Foreign Secretaries for a hundred years; the same editors compiled a *Century of Diplomatic Blue Books, 1814-1914* (Cambridge University Press). Sir Charles Firth's *Commentary on Macaulay's History of England* was edited by Mr. G. Davies (Macmillan), and Mr. S. Maccoby continued his studies with *English Radicalism, 1853-86* (Allen & Unwin). Historical matters of present-day parallel value were studied in H. C. Deutsch's *The Genesis of Napoleonic Imperialism* (Oxford University Press) and G. M. Thompson's selection of *English Witnesses of the French Revolution* (Blackwell). \* *The Common People, 1746-1938*

(Methuen), by Mr. G. D. H. Cole and R. Postgate, claimed to be a history of modern England; the book was widely read in W.E.A. circles. On the other hand, Mr. J. L. Hammond's study of an important aspect of Gladstone's career in \* *Gladstone and the Irish Nation* (Longmans) enjoyed a very large public. Contemporary history of a new kind was seen in a co-operative work edited by Maxim Gorky, *The History of the Civil War in the U.S.S.R.* (Lawrence & Wishart), and in *The Soviet Comes of Age*, with a foreword by S. and B. Webb (Hodge).

The present agony of the Jews in Europe has resulted in a number of important works, among which the learned Dr. J. Parkes stands out with his *The Jew in the Mediæval Community* (Soncino Press), a study of his political and economic situation. Dr. Cecil Roth, the new Reader in Post Biblical Jewish Studies at Oxford, issued a study of *The Spanish Inquisition* (Hale), and an informative and timely survey of the little appreciated *Jewish Contribution to Civilization* (Macmillan). A serious and sober analysis of past and present was Mr. Louis Golding's *The Jewish Problem* (Penguin), and Mr. M. Pearlman gave an account of *Collective Adventure in Palestine* (Heinemann).

The vast fields of Sociology, Psychology and Philosophy offered a few outstanding works, of which two extremes were Lewis Mumford's brilliant and comprehensive \* *Culture of Cities* (Secker & Warburg) and Karl Barth's profound and moving *The Holy Ghost and the Christian Life* (Muller). Emile Durkheim's *Rules of Sociological Method* (Cambridge University Press) were translated, and a number of practical studies in sociology appeared, R. S. Cavan and K. H. Ranck's *The Family and the Depression* (Cambridge University Press), a study of 100 Chicago families which might serve as a weather forecast, Gunnar Landtman's *Origin of the Inequality of the Social Classes* (Kegan Paul), H. G. Creel's *Studies in Early Chinese Culture*, 1st Series (Routledge), H. M. Shulman's *Slums of New York* (A. & C. Boni), Margaret Cole and Charles Smith's *Democratic Sweden* (Routledge). Psychology continued its march in various directions. W. Stern's *General Psychology* was translated (Macmillan), W. D. Ellis's *Source Book of Gestalt Psychology* (Kegan Paul) was important, Dr. C. G. Jung continued his speculations on *Psychology and Religion* (Oxford University Press), Dr. E. Miller wrote on *The Generations* (Faber & Faber), Mr. C. E. Seashore investigated *The Psychology of Music* (McGraw), Dr. William Brown surveyed *Psychological Methods of Healing* (University London Press) as an introduction to psycho-therapy, and Professor Sigmund Freud's stimulating work *Psychopathology of Everyday Life* gained a long-delayed diffusion in a Penguin volume. A useful volume was A. R. Chandler and E. R. Barnhart's *Bibliography of Psychological and Experimental Aesthetics, 1864-1937* (Cambridge University Press). In *The Police Idea* (Oxford Press) Mr. Charles Reith has written a fascinating study of a subject which is ever present in the experience of all of us but of which little is known. The book will be read with interest. The hint of a new fashion in religious thinking was seen in Mr. Alexander Dru's selection from \* *The Journals of Søren Kierkegaard* (Milford)

Biography has been as miscellaneous as ever. Elizabeth Jenkins wrote

on *Jane Austen* (Gollancz), Mr. Winston Churchill completed the fourth volume of his *Marlborough* (Harrap), two figures of the Renaissance were studied, *John Tiptoft (1427-1470)*, by Mr. R. J. Mitchell (Longmans), and \**Cuthbert Tunstall*, Churchman, Scholar, Statesman and Administrator (Longmans), by Mr. Sturge. The important *Letters of T. E. Lawrence of Arabia* (Cape) were edited by David Garnett, and the *Letters of Mozart and his Family*, 3 vols. (Macmillan) were issued by Miss Emily Anderson. In autobiography, Miss Vera Brittain continued her story in *Thrice a Stranger* (Gollancz), Mr. John Van Druten described his *Way to the Present* (Michael Joseph), Lord Dunsany offered *Patches of Sunlight* (Heinemann), and Mr. Herbert Hodge in *Its Draughty in Front* (Michael Joseph) described the taxi-driver's life, from which he has now emerged. M. René Belbenoit in *Dry Guillotine* (Cape) described the horrors of Devil's Island, and Mr. J. B. Booth recalled the vanished delights of *The Sporting Times: The Pink Un World* (T. W. Laurie). Two important studies of contemporary thought and feeling were M. Maurice Thorez's *Son of the People* (Lawrence & Wishart), an autobiography of the leader of the French communist party, and Mr. Joseph Freeman's \**American Testament* (Gollancz), perhaps the most important autobiography of recent times. To these must be added Mr. F. D. Ommanney's account of his whaling exploits in *South Latitude* (Longmans), a remarkable series of autobiographies of sailing-ship men from the 60's up till to-day in *Square Rigger Days*, edited by C. W. Domville Fife (Seeley Service), and the autobiography of the human race in Mr. S. G. Champion's collection of *Racial Proverbs* (Routledge). \**The Truth about the Peace Treaties* in 2 vols. (Gollancz), by Mr. Lloyd George, one of the important authors of the treaties, directed attention to a problem which though of fairly recent origin has already become a subject of controversy.

The task of selection from among the thousands of novels published each year becomes increasingly more difficult, and with the best will in the world it is not easy to recommend more than about one hundred works. It is possible that about a score have been unjustly omitted, but the dividing line between positive and competent fiction and mere library fodder is hard to draw. It is, however, with unmitigated pleasure that we can praise a small group of really outstanding works. Mr. Albert Halper's headlong and passionate study of a mail-order warehouse in America, \**The Chute* (Cassell), has a shapely actuality and controlled indignation that is rare in modern construction. Mr. Frank Tilsley's *I'd Hate to be Dead* (Collins) adds to his strength as a delineator of human character in violent struggle with life, and contains two of the best rough and tumbles of recent literature. His *She Was There Too* (Collins), on a smaller scale, gives an authentic picture of the life cycle in an artisan's home. Three historical novels stand head and shoulders above their fellows. Yuri Tynyanov, long rumoured to be the greatest living master of historical reconstruction, at last permits his work to be judged in Mr. Alec Brown's brilliant translation from the Russian of *Death and Diplomacy in Persia* (Boriswood), a study, precise and delicate and richly evocative, of the tragic career of the dramatist Griboyedov, with Pushkin as back-

ground. In Mr. Arnold Zweig's *The Crowning of a King* (Secker & Warburg) the vast panorama of war-time history begun in *The Case of Sergeant Grischka* takes its final sweep in the intrigues of the Eastern Front, and the tragic and epic grandeur of the Spanish struggle to-day is given in M. André Malraux's *Days of Hope* (Routledge). Franz Kafka's legacy of *America* (Routledge) adds to the conviction, now spreading wider and wider, of his original genius, and René Behaine's brilliant portrait of a decaying French world in *The Survivors* (Allen & Unwin) fully supports Mr. Ford Madox Ford's recommendation.

Outstanding in their different ways also were Thomas Mann's continuation of his Biblical saga in *\*Joseph in Egypt*, 2 vols. (Secker & Warburg), Mr. Richard Hughes' picture of a ship's struggle with the elements *\*In Hazard* (Chatto & Windus), Mr. Francis Brett Young's majestic *\*Dr. Bradley Remembers* (Heinemann), Mr. H. G. Wells's devastating character study *\*Apropos of Dolores* (Cape), Mr. William Faulkner's Southern study of *\*The Unvanquished* (Heinemann), Miss Dorothy Richardson's last delivery in her exploration of the "stream of consciousness," *\*Pilgrimage* (Dent and Cresset Press), Mr. Rhys Davies's mature *\*Jubilee Blues* (Heinemann), and among the newer writers Mr. R. K. Narayan's tender and subdued Indian picture *\*The Dark Room* (Macmillan), and Mr. Edward Upward's interesting experiment in the manner of Kafka, *\*Journey to the Border* (Hogarth Press). Much praise was given to Mr. R. C. Hutchinson's *Testament* (Cassell), and to Mr. Sinclair Lewis's *The Prodigal Parents* (Cape), while Mr. Upton Sinclair's *The Flivver King* (Werner Laurie) was a forceful and moving excursion on the borderline between biography and fiction. Miss Edith Wharton's *The Buccaneers* (Appleton-Century) was a reminder of the fine quality of that regretted novelist's craftsmanship.

Among younger and new novelists were to be found the largest proportion of interesting novels, few of them, as Mr. Frank Swinnerton observed of the year's output, likely to "set on fire any river known to me, but all meriting serious attention for their sincerity and accomplishment." Mr. H. E. Bate's *Spella Ho* (Cape) was a more extended and ambitious attempt than usual, Mr. Alec Brown's *Margareta* (Boriswood) upheld his reputation as a realist amid romantic material, Mr. Robert Graves in *Count Belisarius* (Cassell) pursued his self-chosen historical path, Mr. Graham Greene deserved more praise than he received for his hard-boiled psychological picture *Brighton Rock* (Heinemann), Mr. Charles Curran neatly turned the political tables in a ruthless satire-cum-photograph in *You Know You Can Trust Me* (Cape), Mr. James M. Cain in *Serenade* (Cape) and Mr. Horace McCoy in *I Should Have Stayed Home* (Barker) pared human motives to the quick in varied grades of detachment, Mr. James Curtis imported something of the American technique of those two in his melodrama of the highroads *They Drive by Night* (Cape), the pitiable plight of the refugee then and now was explored in Lilo Linke's *Cancel all Vows* (Constable), Libby Benedict's *The Refugees* (Hogarth Press), and H. W. Katz's *The Fishmans* (Constable), the social problem was exposed in Mr. Jack Jones's *Bidden to the Feast* (Hamish Hamilton), Miss Kathleen

Nott's interesting first novel *Mile End* (Hogarth), Mr. Len Ortzen's cockney fantasia *Down Donkey Row* (Cresset Press), in Mr. Simon Blumenfeld's restrained and convincing portrait of Dr. Barnardo, *Doctor of the Lost* (Cape), and Mr. Jim Phelan's *Ten-a-Penny People* (Gollancz). Mr. George Blake's *Late Harvest* (Collins), Mr. Walter Brierley's *Dalby Green* (Duckworth), Mr. J. L. Hodson's *Mr. Arkwright's Marriage* (Gollancz), and Mr. John Brophy's *Man, Woman and Child* (Collins) also formed an interesting group. In divers American manners Mr. James T. Farrell's *A World I Never Made* (Constable), Mr. Erskine Caldwell's *Journeyman* (Secker & Warburg), Kay Boyle's *Monday Night* (Faber), Mr. William Corcoran's *This Man Murray* (Dent), and Miss Catherine Whitcomb's *In the Fine Summer Weather* (Chatto & Windus) were all well worth reading. Among younger English talents, Mr. Rex Warner's *The Professor* (Boriswood), Mr. John Pudney's *Jacobson's Ladder* (Longmans), Miss Jean Ross's *Flowers Without Sun* (Thornton Butterworth), Miss Jane Scott's *East Wind on Friday* (Longmans), and Miss Ruth Adam's *I'm Not Complaining* (Chapman & Hall) attracted special notice. Mr. Peter de Polnay's *Angry Man's Tale* (Secker & Warburg) was greeted as a comic discovery, and Miss Norah Hault in *Nine Years is a Long Time* (Heinemann), and Mr. Robert Brasillach in *Youth for Ever* (Chatto & Windus) as known and new craftsmen. Mr. Eric Lowe, a new writer from Australia, also attracted attention with his *Salute to Freedom* (Collins).

Among the better-known purveyors of fiction, Sir Hugh Walpole gave his *The Joyful Delaneys* (Macmillan) and Mr. J. B. Priestley a lighter scamper in *The Doomsday Men* (Heinemann). From America came Mr. Louis Bromfield with *The Rains Came* (Cassell), Mr. Waldo Frank with *The Bridegroom Cometh* (Gollancz), Mr. Robert Nathan with *Winter in April* (Constable), and Miss Willa Cather with *The Song of the Lark* (Cassell). South Africa gave Miss Sarah Gertrude Millin's *What Hath a Man?* (Chatto & Windus). Among the women writers Miss Storm Jameson wrote *Here Comes a Candle* (Cassell), Miss G. B. Stern *The Ugly Dachshund* (Cassell), and Miss Sylvia Townsend Warner *After the Death of Don Juan* (Chatto & Windus). In the field of satire Mr. Richard Aldington gave one of his fine studies of man's inhumanity to man in *Seven Against Reeves* (Heinemann), and Mr. Osbert Sitwell scarified the artistic temperament in *Those were the Days* (Macmillan). Works of merit in their different ways were Mr. C. S. Forrester's *Flying Colours* (Michael Joseph), Mr. John Masefield's *Dead Ned* (Heinemann), Mr. J. D. Beresford's, *The Unfinished Road* (Hutchinson), Mr. Richard Blaker's *Love Went a Riding* (Heinemann), Mr. Conal O'Riordan's *Soldier's End* (Arrowsmith), and Mr. C. H. B. Kitchin's *Birthday Party* (Constable).

A distinguished batch of translations brought important and stimulating work from many countries. From France came Jean Giono's *The Song of the World* (Heinemann) and G. Chevallier's *Good for Nothing* (Methuen), a worthy companion to the lively "Clochemerle," L. F. Céline's chaotic *Death on the Instalment Plan* (Chatto & Windus), Louis Guilloux's *Bitter Victory* (Heinemann), André Maurois *The Thought Reading Machine* (Cape), and an important addition to the Everyman Library was the translation

in two volumes of Stendhal's epoch-making novel *Scarlet and Black*. From Italy came Luigi Pirandello's brilliant volume of short stories, *A Character in Distress* (Duckworth). From Russia Maxim Gorky's *The Spectre* (Appleton-Century), Alexis Tolstoi's *Bread* (Gollancz), Benjamin Kaverin's strangely fascinating *The Larger View* (Cassell), in which the view-point does not exclude story. Scandinavia sent Sigrid Boo's *The Long Dream* (Michael Joseph), Sigrid Undset's *Image in a Mirror* (Cassell), Trygve Gulbrandsen's *The Wind from the Mountain* (Thornton Butterworth), Gunnar Gunnarson's *The Night and the Dream* (Jarrolds). From the Yiddish came Sholem Asch's *Three Novels* (Routledge), and Salman Schneour's happy continuation of the Noah Pandre Saga in *Noah Pandre's Village* (Chatto & Windus). Emigrant literature from Germany and Austria continued to supply some of the best reading of the year, Heinrich Mann's historical novel *Henri Quatre* (Secker & Warburg), Franz Werfel's apocalyptic *Hearken unto the Voice* (Jarrolds), and Stefan Zweig's *Conflicts : Three Tales* (Cassell). One of the most fascinating of books was *A Child of Our Time* (Methuen), by Odon von Harvath, the brilliant young German killed in exile by a falling tree in the Champs Elysées after producing two of the most profound studies, written in the margin of Kafka, of contemporary agony.

The crop of short stories was excellent. Mr. Leslie Halward's second volume *The Money's all Right* (Michael Joseph) was a happy confirmation of the promise in his first offering, Mr. James Hanley's *People are Curious* (Bodley Head) contained some grim writing, Mr. William Saroyan's *Love, Here is my Hat* (Faber & Faber) produced a gem of humour in "Ever Fall in Love with a Midget?" the late Miss Mary Butts's *Last Stories* were collected (Brendin), Mr. James Stern introduced a new talent in *Something Wrong* (Secker & Warburg), Mr. V. S. Pritchett had some distinguished craftsmanship in *You Make your Own Life* (Chatto & Windus). Mr. John Glog's *It Makes a Nice Change* (Nicholson & Watson) and Mr. Stephen Vincent Benét's *Thirteen o'Clock* (Heinemann) were both attractive volumes. Two separate stories were published, by Mr. H. G. Wells in *The Brothers* (Chatto & Windus) and Sir Hugh Walpole in *Head in Green Bronze* (Macmillan). Two anthologies, Mr. Morris Kreitman's *Jewish Short Stories* (Faber & Faber) and Mr. E. J. O'Brien's *The Best Short Stories of 1938* (Cape), offered variety and selected quality.

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Of the above books the following have been deemed suitable for special notice ; they are given in the order in which they happen to appear in the General Survey :—

#### GENERAL LITERATURE.

**Unto Cæsar**, by F. A. Voigt (Constable).—There is nothing staler than yesterday's book on "The World To-day," valueless because it has no more perspective, no more background, no more ideas than to-day's newspaper. Mr. Voigt's book is one of the great outstanding exceptions

of our time. Experienced in the interpretation of foreign affairs by years in Europe as foreign and diplomatic correspondent, intimately close to the great changes in Germany before and after Hitler, immensely learned in political and religious literature, ancient and modern, profoundly interested in ideas as human forces, Mr. Voigt is that rare thing, a genuine contemporary historian. As a philosophical Christian he views the two great modern secular religions with distrust and loathing, Communism because "Lenin is a would-be destroyer of religion," and even more National Socialism because "Hitler is a corrupter of religion." His analysis of what he considers the essential identity of the two systems so far as they affect men in the state is the most exciting part of the book, closely argued, with illustrations almost proving that the pronouncements of each could be made equally by the other side. It may perhaps be urged that the substitution of "Devil" for "God" throughout the Bible does not necessarily prove the identity of Religion and Satanism, but that is possibly a private matter. Much as he hates Communism, the Nazi doctrine is made even fouler, for "despite his ultimate amorality, which shows itself in truculence and untruthfulness, the Communist has a stern, though narrow, puritanical ethic. He is ruthless, but not by nature brutish. The terror is for him a means to an end. The National Socialist, on the other hand, has a strong tendency towards brutishness—he is often a terrorist without reference to the end he wishes to attain." For Mr. Voigt, Lenin was "incomparably the greatest strategist of the World War," and Hitler is a Napoleon with "quite a special aptitude for the dirty work of revolution. He is without tolerance, pity, or any generous emotion. There is no perfidy, no falsehood, no piece of cunning of which he is not capable. Hitler is one of the principal initiators of the Brown Terror and himself the chief terrorist." The analysis of the anti-Semitic side of the Nazi terror is brilliantly done. Hitler "did not become anti-Semitic through awareness of the Jew—he became aware of the Jew through anti-Semitism." As a follower of the doctrines of the forged "Protocols of the Elders of Zion" he is projecting on to the Jew the ugliness of his own subjective make-up. The Jew as described by the Nazi is Hitler's self-portrait. The growth of the present European system and emergence of the present crisis is displayed in masterly strokes, and the new post-Munich preface analyses and prophesies the menace to the British Empire. Original, clear-sighted, incisive and fundamentally objective, *Unto Cæsar* is a model guide to public affairs.

**On the Frontier**, by W. H. Auden and Christopher Isherwood (Faber & Faber).—The authors call this grim play "a melodrama," presumably because it presents basic human emotions in a patterned and emphasised clarity. It would be possible in the light of the "Notes on the Characters" to call it a modern morality play in which the characters are type abstractions: Dr. T—, "Middle-aged, pedantic, would have been a liberal under a democratic régime"; Colonel H—, "An old lobster"; L—, "About twenty-seven. Intriguing. Can be spiteful. In dress and manner slightly pansy"; M—, "A stage butler." The technique is

the familiar Group Theatre technique. "All the Chorus must be able to sing." The legacy of the German Expressionist movement remains in the group verse-speaking of pointed social tendency and accusation of mass emotion:

The assembly-belt is like an army on the move;  
It's stronger than hate, brother; it's stronger than love.

. . . . .  
Went last night to the pictures; the girl was almost bare,  
The boy spent a million dollars on that love-affair.

The theme is the familiar one of international industrial and financial manipulation, with the new factors of nationalist fanaticism as a temporary novelty, with the leader and his gangsters as the modern equivalent of the Devil and his lieutenants, and the "wisecrack" as the modern clown's quip. "My dear friend, the leader has always been mad. The really alarming symptom is that he's beginning to recover." As a show it promises well; the thread of human life across the abstract design, the sop of sentiment in young and yearning love, the revue element of music, the repetitional stichomythia of the radio, the topicality, double-edged, of Fascist and "Leftist," the chiaroscuro of cynicism and raw feeling, the useful hysteria of national conflict, the "Trench-Romantik" of songs to the tune of "Mademoiselle from Armentieres," and the sure-fire device of the typical newspaper readers culminating in the announcement: "From War Office sources comes the news that the outbreak of world war cannot possibly be delayed beyond the middle of March" make the play a delightful, concentrated, highbrow "Cavalcade."

**The Theatre in a Changing Europe**, edited by T. H. Dickinson (Putnam).—The encyclopædic information and comprehensive enthusiasm of Mr. Dickinson have produced a work of rare value on the European theatre. The vast achievements of the twenty years from 1910 to 1930, including the war ferment and the post-war giant-beanstalk growth, are here presented in narrative and abundant picture material. Dr. Joseph Gregor, the scholarly custodian of the fantastically rich Theatre Collection in Vienna, surveys the Russian Theatre of Stanislavski, Meyerhold, Tairov, Vakhtangov, and Eisenstein, with a valuable supplement on the Soviet achievement by Professor H. W. L. Dana. Useful pictures of productions at the Kamerny and Meyerhold Theatres, and the Jewish Academic Theatre reinforce the descriptions. Perhaps in no other country has experiment produced so much of real theatrical significance, and though none of the older theatres has found it convenient to visit England, the performances of the Moscow Art Theatre in Paris, and the Habima Hebrew Theatre in England have brought some idea of their quality to those interested. The German contribution, abruptly cut short in 1933, is dealt with by Dr. Julius Bab, in a vivid picture of Reinhardt, Jessner, Piscator and the course of Expressionism. The French theatre with its alert sanity under Copeau, Jouvet, Baty and Dullin, and the rejuvenation of the Comédie Française is described by M. Edmond Sée. The Spanish theatre of Benavente, Sierra, and the murdered Lorca, the peripheral



activities of Italy, Czechoslovakia, Poland, Yugoslavia, Hungary, Rumania, Bulgaria, Sweden and Denmark, all add valuably to our information. The unity lies in the seriousness of approach to an old art, the reflection of social conditions and problems, and the decorative and structural stimulus of modern art movements which bears fruit in the new conception of the producer, and the rich collaboration of author, actor and stage symphony. It is a mortifying reflection that it was not found necessary to include a section dealing with Great Britain, though the name of Gordon Craig is mentioned with honour in almost every chapter.

**The Age of Drake**, by James A. Williamson (A. & C. Black).—This is an important volume in an attractive new series of "Pioneer Histories" of the great "migrations of European peoples—for purposes of trade, conquest and settlement—into the non-European continents." The fundamental changes of the past few hundred years are to be displayed in accounts of the Spanish Conquistadores, the Portuguese pioneers, the invasion of China by the western world, and matters closer to our own bosoms and business, England's quest of Eastern trade, and the exploration of North America and the Pacific. Dr. Williamson, one of the editors, whose pioneer works on Sir John Hawkins and the Cabots have given him widely accepted authority, explores the great Elizabethan epoch with its network of geography and politics, personality and piracy, prejudice and propaganda, cruelty and commerce. The course of England's purely practical policy is clearly followed, its early indifference to Continental achievement noted, "No one troubled to chronicle the Cabot voyages. No one published in England the histories of Spanish achievement which were eagerly bought by the reading public on the Continent. No English cartographer produced for his own people the new maps which were revolutionising conceptions of the earth's surface." The growing need for new foreign markets changed the tempo and perspective of maritime activity. The voyages of Hawkins and Oxenham, the circumnavigations and piracies of the great "Dragon," Francis Drake, the conflicts with Spain, the rehabilitation of the navy, the escape from the terror of the Armada, all fall into place in the new and comprehensive picture, corrected and amplified by new Spanish sources. The history and security of the British Empire are intimately linked with this story of an age when the British Navy became an efficient fighting body, when the joint-stock company financed overseas trade, when colonisation was first seen as a remedy for the evils of unemployment. The world of Hakluyt finds its scientific monument in this clear, compact, and balanced summary.

**Medieval Panorama**, by G. G. Coulton (Cambridge Press).—The number of books on the Middle Ages is legion. Most of them are concerned with emperors and popes, kings and their courts, battles and diplomacy. If the ordinary man appears on the scene at all, it is as an object of taxation or as participating in a revolt. But how did the common man live? What shaped the pattern of his existence? It is not easy to furnish information under these heads. The task calls for

wide erudition, a sympathetic understanding of world history, and the skill of a ready writer to paint the picture adequately. We of the present generation are fortunate in having as our guide Dr. G. G. Coulton, who, in regard to all three qualifications, passes the test admirably. Dr. Coulton, in his latest book, places at our disposal the fruits of a lifetime of devoted study of the medieval scene (the book was published a few days after the author's eightieth birthday) and he presents his immense learning in so attractive a form that the work is not merely for the scholar alone; it is a precious gift to the nation. The ordinary citizen will be enchanted as he follows Dr. Coulton into the medieval village and town, regards the medieval university or the cloister from within, looks at the position of women, or attempts to understand the contemporary view of the Inquisition. Dr. Coulton has written a delightful book, all the more attractive because it succeeds in bringing home to us the inwardness of medieval conditions by reference to modern terms. Perhaps the happiest illustration of this capacity is Dr. Coulton's description of the Church in the Middle Ages as "one of the completest examples of the Totalitarian State that history records." We recall that after all it is true that there is nothing new under the sun, especially as we learn from Dr. Coulton that the medieval world, despite its prescribed faith, had its sceptics, and despite its high ideals, witnessed the establishment of privilege, the growth of oppression and the cult of immorality. Dr. Coulton's is a human book to which discerning readers will turn again and again with profit and pleasure.

**English Political Thought** (1603-1644), by J. W. Allen (Methuen). —Professor Allen's continuation of his monumental *History of Political Thought in the Sixteenth Century* is a welcome volume. It takes the story from the death of Queen Elizabeth down to 1644, when a new tone comes over political discussion. Fortunately it is no bare account of abstractions, but a warm analysis of human factors and human motives. The panorama of changing thought, in which monarchs, bishops, preachers, Members of Parliament, and theatre-hating fanatics are the lively figures, emerges all the more clearly for the dramatic conviction of a real and personal struggle. Fierce prejudice and unshakeable belief on both sides rendered the battle of ideas uncompromising. The problems of Divine Right, of the Constitution, of the Sovereign Power of Parliaments, and of Toleration, the agitation concerning the Sabbath, the relation of Church and State, brought some of the finest minds of the age to the point of verbal battle. John Milton, Francis Bacon, Sir Edward Coke, John Hales, William Prynne, Richard Baxter, Lord Herbert of Cherbury help to lift the literary expression of controversial ideas to a higher level, and give an immortality of expression to what otherwise is lumber in a political museum. A particularly valuable section is the analysis of Puritanism with its "real difficulty in understanding how any one can honestly disagree with them." As Bacon said, "They have impropriated unto themselves the names of zealous, sincere, reformed, as if all others were cold minglers of holy things and profane and friends of abuses." As a guide through the preliminaries of the Civil War this is an invaluable and shining work, and we look forward with impatience to the next volume,

which is to cover the ferment of thought during the vital and critical period from 1644 to the Restoration.

**The Second Tory Party, 1714-1832**, by Keith G. Feiling (Macmillan).—Dr. Feiling's book may be said to be a fascinating survey of the English political scene in the eighteenth century. In reality there was no Tory Party in the earlier part of the period, in the sense in which parties emerged in the nineteenth century. But the seed was germinating, and the great impetus to its growth was the French Revolution. Just as to-day fear of social disruption which might come from Soviet Russia tends to make the political parties of the Right alert, and inclined to tighten the bonds of government, so in Pitt's day, fear of the French Revolution eventually gave the Tories their opportunity. Throughout the eighteenth century only Whigs were in office, and the hundred Tory members of the House of Commons were merely individuals whose support was worth angling for now by this group of Whigs, now by that. Dr. Feiling's story possesses no small dramatic appeal. He appears to know all the characters intimately, and the reader follows their fortunes with real interest as they move across the stage. Not only that, but Dr. Feiling has the pen of the ready writer. His brilliant phrases up and down the volume are a source of delight. "Europe went down into the valley of decision, the year 1792, which in England was a year of gloom and a bad harvest." Writing of this quality abides in the memory. Many will be of opinion that Dr. Feiling's extracts from letters, documents or popular ditties lend a charm to his narrative. The story is alive: that is the best that can be said of Dr. Feiling's book.

**The Common People, 1746-1938**, by G. D. H. Cole and Raymond Postgate (Methuen).—The two well-known authors who have co-operated in this venture have produced a readable book on a topical subject. If it is true that the roots of the present lie deep in the past, then a proper appreciation of the England of to-day in which the masses, the working people, "the man in the street," play so prominent a part, can only be obtained by knowing how this social class stirred to activity in the last two hundred years. Messrs. Cole and Postgate have furnished an admirable guide for this purpose; they have written a social and economic history which is informative as well as readable. Naturally they stress the significance of the Industrial Revolution, contrasting how the people lived before and after the changes which the term summarises. Not one aspect of those changes, whether political, industrial or social, but the authors give it their attention. Whatever they touch, the story is fresh and vigorously told. One of the best chapters in the book is that which records the doings of John Wilkes. In a relatively small compass the authors have succeeded in painting a living picture which abides in the memory. So throughout the book, whether their theme is the rise of the Poor Law, the beginnings of Trade Unionism, or the emergence of the Labour Movement as a political party. Nor is the rise and growth of capitalist enterprise overlooked. On the whole the authors are fair in their judgments, holding the balance even between Capitalism and the New Social Force. The authors' conclusion is that, as between rich

and poor, the class structure to-day has altered little from what it was a century ago. Apart from its intrinsic merits, the book deserves special notice among the publications of the year as being one likely to have a wide influence in forming working-class opinion, in such movements, for instance, as the W.E.A.

**Gladstone and the Irish Nation**, by J. L. Hammond (Longmans).—Mr. Hammond is so well known as an eminent writer that it is sufficient to say that his latest volume will afford pleasure and information to those who turn to its pages. The main purpose of the book is to trace Gladstone's handling of the Irish Question. But in the opinion of Mr. Hammond the primary need for the understanding of this problem is to appreciate what sort of man Mr. Gladstone was and what his outlook on life. Accordingly he endeavours to show his readers what he calls Gladstone the European, the student of Homer, the protagonist of Christian ethics in public life, and how his ideals and principles shaped his policy towards the Irish people. It was his intense belief in the highest Christian teaching that urged him towards his solution of the Irish problem, in which he was in advance of his time, just as his true Liberalism brought him to defend the Bill for amending the Parliamentary Oath, even though this made it appear as though he favoured the views of a man like Bradlaugh. One is reminded of Luther's "I stand here and cannot do otherwise!" Mr. Hammond well brings out the point, and here as elsewhere throughout the volume he adorns his narrative with many a wise reflection, the fruit of mature judgment and a humanistic outlook on life. Of the many characters that flit through these pages we obtain more than a glimpse, and of Parnell and his associates the book furnishes full-length portraits. Despite the many studies of Gladstone's career which fill our libraries, Mr. Hammond has written another which will take its place with the best. His is certainly one of the distinguished publications of the year. Its concluding chapter is a fitting close to a fine piece of writing.

**The Culture of Cities**, by Lewis Mumford (Secker & Warburg).—The epoch-making analysis of "Technics and Civilization" now has its giant sequel in this survey of man's life in cities through the ages, the result of 20 years' study, and 8 years' writing. The method of approach displays so much of the alertness and intuition based, like all intuition, upon immense knowledge and experience, which should characterise the best academic research, that it at first appears completely un-academic in tone. His picture of the medieval world strips off the myth of ignorance, filth, brutality and superstition, deals with the all-important theme of privacy, the private bed, the private privy, the private bath, and moves on to the Renaissance and Baroque epochs with the new influence of the Court, the luxuries of the well-to-do, the notion of "courtship," the boudoir or sulking place, the change in love-making "from a seasonal to a year-round occupation," the Baroque re-invention of furniture and its care, the introduction of sanitation, the technique of marketing and shopping, the rise of the industrial city, the problems of factory and slum, the triumph of iron, the rise and fall

of Megalopolis, the city of capitalism. After the historical retrospect, in which the most secret intimacies of social and individual life are analysed and brought under the searchlight and the microscope, the work becomes constructive, and "seeks to explore what the modern world may hold for mankind once men of goodwill have learned to subdue the barbarous mechanisms and the mechanised barbarisms that now threaten the very existence of civilization." Mr. Mumford is a great pioneer in the freshness and detachment with which he reshuffles the dead material of history and makes it a human problem, and he is at his most valuable pedagogically in his happy and significant confrontations of pictorial matter with grim and pertinent comment. "Coketown, alias Smokeover, alias Mechanicsville, alias Manchester, Birmingham, Essen, Lille, Roubaix, Pittsburgh." His bibliography too, is unusually helpful in the intelligence of his comments. "Dickens: *Hard Times*. Classic picture of the paleotechnic town, with archetypal characters of Gradgrind, etc." He pays tribute to British work on the purifying of the city, and above all to his master, Patrick Geddes. This is an indispensable volume for the library of every person genuinely interested in humanity, in society, or in any conceivable aspect of the relation between man and his social environment.

**The Journals of Søren Kierkegaard**, edited by Alexander Dru (Oxford University Press).—For many moderns in Europe, and now to some extent, where his life and works are known in England, Kierkegaard is one of the greatest religious thinkers of the nineteenth century, and this important and careful selection of his *Journals* takes us as near to intimacy as we are likely to get. His short life of forty-two years, finished by 1855, was a life of inner torture; he felt himself to be a dedicated spirit, a genius set apart from other men, born to suffer and be sacrificed for the benefit of mankind, to experience the supreme "martyrdom of being a genius in a provincial town." As the "gift of God" to the people, as the sufferer from "silent despair" in continuation of the melancholy of his father who as a boy had cursed God and suffered the pangs until his eightieth year, as a receiver of spiritual illumination and sudden joy, as a wrestler with God in "the dyspeptic process of my laborious life of thought," as a flincher from marriage and an aggressive escapist into the refuge of paradox and wit, he is perhaps a fitter subject for psycho-analysis than for religious biography. Yet the fierceness of his agony, the clarity of his analysis of it, and his profound influence on modern militant theology have brought him the reward of comparison with Saint Augustine, Pascal and Newman, though his own fancy preferred parallels with Ahasuerus, the Wandering Jew, Nebuchadnezzar, and perhaps Swift. As the hero of Ibsen's "Brand" he is known to thousands who have never heard his name, and as a personality he is a spark from that great anvil which forged Ibsen himself, and Swedenborg earlier, and Strindberg later. On genius, on poetry, on Christianity, on suffering, he has observations that bear the stamp of greatness, and said much in sanity which is paralleled only by the intensity of Nietzsche's aphoristic wisdom in his wake.

**Cuthbert Tunstal**, by Charles Sturge (Longmans).—Nowadays, when the borderline between fiction and biography is often indistinguishable, it is a pleasure to find a serious account, closely documented from original and little-used material, of so representative a figure as this man of the English Renaissance. In a life of eighty-five years Cuthbert Tunstal saw many things. He was born only a year or so before Caxton set up his press. He was at Oxford when Columbus discovered America, he paid the visit to Padua at the age of 25, was Master of the Rolls while Luther was nailing up his Theses, was Dean of Salisbury when the Turks took Belgrade, Lord Privy Seal at the time of the Sack of Rome, saw the death of Wolsey, of Luther and his friend Erasmus, and the execution of Fisher and his friend More. He lived through the first circumnavigation of the world, the Council of Trent and the loss of Calais. He was a classical scholar who gave Cambridge its first parcel of Greek books, including Homer and Aristotle's *Logic*, a mathematician, a diplomatist, a judge, a Bishop of London. As a humanist, his friendships with Continental scholars, Aldus the printer, and Lefèvre the translator of the Bible into French, and with Erasmus were fit parallels to his intimacy with More, Linacre, Grocyn and Colet in England. His ambassadorial activities and his participation in the divorce of Henry VIII, his concern with contemporary heresy, made him a contemporary figure both feared and respected. He is described as the "still Saturn that so seldom speaketh, but walketh up and down all day long musing and imagining mischief." The most famous episode in his career, so far as popular memory goes, is his persecution of Tyndale and his translation of the Bible, to the ironical extent of buying up all available copies and thus supplying Tyndale with funds for a new edition. As Hall the chronicler put it: "The Bishop had the books, Packyngton had the thanks, and Tyndale had the money." Dr. Sturge has not only completed a work of live and productive scholarship, but has brought honour to the ranks of the unjustly despised writers of academic theses.

**American Testament**, by Joseph Freeman (Victor Gollancz).—An important feature of contemporary writing is what could be termed the "interim report" category in autobiography. Many writers at the age of about forty (though some feel themselves ripe for the task at thirty or even twenty-one), feel it necessary to give an account of the world they have experienced while the enthusiasm of growth is still valid, and before the hardening of the arteries of memory sets in. In a transitional age such as ours it is necessary to have this stocktaking, and we are grateful to those men who are prepared to expose their wounds, for it is mainly as a record of wounded souls that these are valuable. The story of the "lost generation" of Americans was told to very great purpose some time ago by Mr. Malcolm Cowley in *Exile's Return*, and now Mr. Joseph Freeman comes to balance the æsthetic story with his political Odyssey in *American Testament*, perhaps the most revealing and significant portrait of a sincere human struggle published in our times. Just as H. G. Wells's autobiography recorded the experiences of a sample individual "in the later phase of the private capitalist system," so

Mr. Freeman's story "is rooted in the belief that mankind is passing through a major transformation. The dissolution of capitalism compares in scope and significance with the origins of private property, the beginnings of Christianity, the ascendancy of the bourgeoisie." The journey was varied and far. Born in an Ukrainian village, taken to America at seven, fighting gang wars between Jewish and Irish children, arguing about Justice and Beauty, dabbling in adolescent Socialism, his growth was like many hundred others. The coming of the War, the study of literature at Columbia University, the battle of spiritual and intellectual allegiances, the coming of the Revolution of 1917, deepened the picture. The American migration to Europe via Paris in 1920 was the beginning of emancipation from the provincial, the parochial and the half-baked. Sex, psycho-analysis, radicalism, the American class struggle, Moscow, Eisenstein, communist Berlin, all the ingredients of modern experience, the mobilised army of bourgeois bogeys make a grand march-past, and the story reaches a landing-stage. "What I wanted was to explain how a man living in modern times arrives at the view-point known as communism."

**The Truth about the Peace Treaties**, by David Lloyd George, 2 vols. (Gollancz).—It has become the fashion in recent years, largely because of the influence of Nazi propaganda, to disparage the Peace Treaties of 1919. Mr. Lloyd George has done well, therefore, to bring before the generation of 1938 the guiding principles of the statesmen who were responsible for the treaties. The first volume deals broadly with the settlement with Germany. If that country had heavy penalties imposed upon it by the treaties, the world twenty years ago was of opinion that by reason of her brutalities, she deserved all she got. To-day the war brutalities of the Germans are forgotten in the more recent brutalities of her new rulers. Mr. Lloyd George tells the story with vigour and force; his narrative is marked by the qualities which his best speeches possess. Here is wit, shrewd observation, clever character drawing. His sketches of Wilson, of Smuts, of Botha, of Poincaré will go down to future generations as unforgettable portraits. They may not always be true to life, but they show a great deal of the subject, even though here and there they may be biassed. No one will deny that the book is special pleading. But it is exceedingly well done and it is in a great cause. The book is invaluable as a first-hand record of an event in European history which is bound to raise controversies for years to come. Not only is it valuable for the personal narrative of one of the great actors in the drama, but also for the documents the author produces. The first volume deals roughly with the settlement with Germany, including some side issues such as Russia and the League of Nations; the second handles the settlement with Austria and so touches on the many problems of South-Eastern Europe. Students of politics—and who to-day is not of the number?—will be grateful to Mr. Lloyd George for these two valuable volumes.

## FICTION.

**The Chute**, by Albert Halper (Cassell).—The magnitude of the American experiment in civilisation has produced so many anomalies that a novelist attuned to these discrepancies has much richer material than any English writer, but at the same time more opportunities for defeat. The English novelist has a settled order to deal with, and so is more inclined to discuss the individual or the panorama: the American novelist is attracted to a consideration of the turbulent metabolism of the struggling state, in which the individual, while remaining human, is much more of a symbol. The corporate novel in which the masses writhe, struggle, resent, dream, drug, rise and sink, is the special product of modern American literature. Among its masterpieces have been Robert Cantwell's *Land of Plenty*, and Mr. Halper's own *Union Square* and *The Foundry*. *The Chute* has claim to be considered its greatest achievement. The scene is an inferno of a mail-order house, in which a frenzied tempo of sorting, packing, and delivery into the dragon's mouth of a chute has to be maintained. Military discipline and inspection brutalise the individuals. The subservience of the underling, the craving for love and emergence in the adolescents, the criss-cross of petty ambition and petty jealousy, of fear of destitution in a world of dwindling industrial security, the class struggle, the clichés of speech and conduct, the sops and soporifics of organised industry, form a large part of the material. Betrayal of trust, abandonment of promises, wanton lust, despair and tragedy deepen the tragedy. A thread of individual life and hope, but hope deferred or stifled, runs through the inhuman machine, and the moral is implicit. That is the beauty of the volume, that what might have been, in other hands, mere raucous propaganda, becomes a powerful and persuasive proof by almost poetic logic of linked facts of a social shame whose sole concession to melodrama is the final and almost unavoidable human sacrifice to the monster of the physical chute, unnecessary really, because the moral chute had already claimed its victims.

**Joseph in Egypt**, by Thomas Mann, 2 vols. (Secker & Warburg).—Thomas Mann's great reconstructed epic of Joseph and his Brethren rolls on. The *Tales of Jacob* began the story in grave wisdom and rich imagination, *The Young Joseph* followed as an introduction to the penultimate delivery which occupies two rich volumes. The first takes the adventure from the sojourn in the pit to the time when Joseph "becomes visibly an Egyptian." The second retells the episode of Potiphar's wife and the chaste Joseph. The virtuosity of the telling, the spinning out of the story so well known, the re-creation of ancient Egypt in its richness and its colour, its teeming and active population, its religion, its superstition, its humanity and human pettiness, gives a superhuman plausibility. To those who have never visited Egypt, the telling becomes a solid and documented dream, and to those who have known it the story is merely the sloughing away of drab modernity and the giving of life to bare bones and worn stones. Yet it is no mere historical novelist's



"mugging-up" of details. It is a transposition and an almost mystical reviving of past life. "The City of Cats," the visit of Joseph to the Pyramids, the visit of Potiphar's wife to the witch, are but specimens of satisfying creations and re-creations. The world of near-Eastern intrigue, of the whisperings in the Hall of Women, of the spleen of fragmentary men, grows like a plant before us, in the lavishness and lushness of this fabulous world. And with consummate direction Thomas Mann preserves the aloofness and integrity of the hero, the grandeur and purpose of his stature. The work has grown larger than its first conception, and is still unfinished. "So then Joseph went down a second time to the prison and the pit. The story of his rising again out of this hole to a still higher life may be the subject of future lays." It is to be hoped that it may.

**In Hazard. A Sea Story**, by Richard Hughes (Chatto & Windus).—By the hint of his sub-title Mr. Hughes intends this amazing yarn to be regarded as a tale of adventure and no more, to be accepted in the category of narrative melodrama. If so, it is for consumption by a higher level of reader than is usual. But this is the fate of all stories of heroic voyaging, whether *Pilgrim's Progress* or *Robinson Crusoe*, or even the intellectual progress in *Gulliver's Travels*. It may even be classed as allegory, the test of man's virtue in trials of adversity, and as such it satisfies by the sheer precision of the description. Every detail of the ship's economy and anatomy is minutely described, the engine room, the stokehold, the structure of the funnel, the strain on the funnel-guys, the ventilation system, the steering gear. "I want you to know her, not as a lover knows a woman, but rather as a medical student does." Technical flavour and poised analogy in a prose exact yet flickering with imagination give the world which is to be tested by a phenomenal hurricane in which everything physical that can be smashed is smashed, and everything human which can be stretched is brought to fiddle-pitch all but breaking. Metaphors bind the action and atmosphere. Pouring of oil on troubled waters becomes a technical achievement. The human material, brave captain, cowardly officer, competent engineer, apprentice officer, Chinese hand, come up for judgment in this upheaval, and the interlude in the struggle when the moment of calm in the heart of the hurricane arrives is a nightmare vision of thousands of birds from heron to humming bird, covering every inch of the battered deck and "clinging with their little pin-like toes" even to the ears. Tension in an adventure has seldom been so concentrated or sustained, and were it not for a little loosening towards the end this book might have been the greatest of modern epics. As it is, even those who are not specially interested in the sea will have shared in a primitive adventure from which nobody could emerge without enrichment.

**Dr. Bradley Remembers**, by Francis Brett Young (Heinemann).—Mr. Brett Young's competence is a shining beacon for young writers. To write 745 pages in nine months and then dedicate the volume to Mr. David Lloyd George whose "Insurance Act gave greater dignity and security to the General Practitioner in 1913" has an air far from to-day's. Perhaps this is deliberate, for Dr. Bradley's memories go back seventy-five

years, and unfold the slow process of apprenticeship to a bone-setter, medical studies in a world of gangrene and "the good old surgical stink," struggle against Lister, the grim background of a Midland small town, marriage and death, the fight between parent and child, and the education of a son in a new idiom of medicine, no longer hostile to Lister. All these personal climacterics of happiness and grief stand out against the steady narrative background of Dr. Bradley's own slow building up of confidence into a faithful and growing practice. His fight with unscrupulous rivals over the Health Clubs, over the running of the Cottage Hospital, and over Lloyd George's new Insurance Scheme give a further epitome of medical sociology that is less sensational but more real than the violence of the "Citadel" picture. Despite the bulk of the volume, the placid, limpid, flowing story has a shapely and even tense structure, and a vividness of evocation of character and atmosphere that is sometimes a little overpowering. The operating room of his student days is an "exhibit" in a chamber of historical horrors; the first midwifery case has a humanity and humility that rings true. The book is a gentle masterpiece of tempo and modulation that fully justifies Mr. Brett Young's reputation.

**Apropos of Dolores**, by H. G. Wells (Jonathan Cape).—In a happy mood Mr. Wells has departed from a path he seems to have followed rather boringly for some time, the biased report of a battle between science and sensitiveness. *Apropos of Dolores* is a romp which in many another author would have been merely a sadistic obituary of an unpleasant episode. So real-seeming is it that Mr. Wells was forced to protest grandly in favour of its fantasy, and to draw a beautifully cooked red-herring of definition across a hot trail. As zig-zag structure the book has nothing to learn from any of the author's own pupils, as digression it is the fullest homage to the great master of all digression, Laurence Sterne. The overture, an exquisitely ironical and tender picture of Rennes, might be any small town in France, observed with mature analytic power. The theme itself is possessive femininity and passionate and educated idiocy in woman embodied in one living, pulsating, plausible, agonising specimen, Dolores herself. It may be urged that there is no distortion, no injustice to woman, save the mere accumulation in excess of what all the novelists have dealt with piecemeal. The baroque of personality, decorated with the rococo of furniture and adornment, is ruthlessly conveyed. The evil mechanisms of jealousy, the imposition of magnified whims, the supplanting of masculine creativeness, the animal interlude, have all been dealt with separately by novelists, but never has so much venom embraced so comprehensive a catalogue. The hero did well to poison her, but was too kind, given the premisses, in the speed of despatch. With proper compression this would have been one of the most headlong and effective of modern short stories.

**The Unvanquished**, by William Faulkner (Chatto & Windus).—There seems no limit to Mr. Faulkner's powers of creation. *Sartoris* was a wild prismatic picture of a southern family through four generations, mad, ruthless, grim, passionate, decaying. The decadence of the European

school of modern American fiction is here swept away by the strong regional storm, and the new novel, *The Unvanquished*, is a flash-back to the American Civil War in the form of a six-act epic and a feverish epilogue. The heroism of the South, fighting on for two years after the certainty of defeat, is embodied in four years of childhood, Bayard Sartoris and his negro foster brother Ringo, with their grandmother as heroine, their father as mythical hero, and every adventure of ambuscade, feminine bravado, forgery and murder, and vendetta. The whole is seen through the eyes of the boy Bayard. The style is so often compared with Dostoevsky that it has become a truism, but there is no other parallel to describe the trance-like headlong passion of persuasion, the vividness of imagery convincing below the skin, like a process of nature, the uncouth yet intuitive rendering of the vibration of human loyalty and tightness of family and local relationship. Every passing figure, every shoulder-brushing contact becomes vividly vivid, and the narrative is breathless in its intensity and authenticity. The effect is inexplicable; no analysis would justify it, since almost everything that could be analysed would be evidence of error, of rules broken, of chances taken and in grand despite, of victories won. Each episode is rounded and self-sufficient, yet builds on to the taut structure. The last episode, the return of Bayard eight years later to avenge his father's murder, has an hallucinatory limpidity, a drug-like fever that is unparalleled in modern writing. Genius is not a label to be lightly affixed, but every new novel by Mr. Faulkner calls aloud for its use.

**Pilgrimage**, Volume IV, by Dorothy M. Richardson (J. M. Dent and Cresset Press).—In 1913 Miss Richardson published *Pointed Roofs*, and Mr. J. D. Beresford was the first to point out the value of her new method of plunging into the "stream of consciousness" and recording everything through the sole viewpoint of a single character. This, in James Joyce and Virginia Woolf and a hundred imitators, has become the standard method of the "interior monologue," newly practised, though an invention of the romantic period with Scott and even Jane Austen. The present collection, of which this is the fourth volume, containing a new work, *Dimple Hill*, is a monument to the unswerving devotion during a quarter-century to the "Vision of Miriam." There is, surprisingly enough, no lack of story and of incident. The scene changes to the Continent, to Switzerland, the heroine becomes a governess, a school teacher, a secretary to a dentist, and minor incident, personal incident looms larger than external event. An emotion, an inner experience becomes objectivised with the intensity of Miriam's subjective notation. The episode of a shampoo, the entry into a new room, the nuance of a friendly meeting, a train journey, the feeling of Sunday, a visit to Church, thinning grapes, become magnified under the microscope of personal vision into the stature of an exciting adventure. Twelve novels, long and short, have carried this brave task onward, and though her work has been known to the expert reader, and has received tribute from her peers, H. G. Wells, Rebecca West, Frank Swinnerton, and Virginia Woolf, it has remained for this collected edition, which should be in every public and private library, to bring her pioneer and intrinsically entertaining qualities to wider notice.

**Jubilee Blues**, by Rhys Davies (Heinemann).—Of the lineage of D. H. Lawrence, Mr. Davies is the most powerful among the younger novelists. His notation of the "dark" awareness of the physical passions and his vividness of re-creation of the Welsh human scene have been amply displayed. In *Jubilee Blues* he extends his gift of story. A young, dark, smouldering Welshwoman is seduced by the black-sheep relation of her dead employer on the day of his funeral. She marries him and spends her legacy on the "Jubilee Inn," uprooting herself from the safe, peaceful mountain country of her breeding, into the depression of a mining district, alien, squalid and inimical. She bears two sons, loses her gaiety and high hopes, loses her love for her husband, loses interest in the dwindling income of the inn amid the atmosphere of poverty and industrial depression. New shifts to hide her poverty from the critical eyes of neighbours, and rear her children in decency, deepen and dignify her character. Her courage and essential fervour shine through the sordid surroundings, and through her battle with her husband, for whom the ruin of the "Jubilee" is only an inverted triumph in which he is still the swaggering leading actor. Failure has made them grow wide apart, her hard, country virtue can never condone his fatalistic vagabond attitude to defeat. Her flight with her sons to the country she loved was not desertion, but retirement, in which her split and bruised personality could heal in its native air. As a symbol of virgin Wales raped by modern industry, the heroine is of heroic stature, and the grim and restrained language merely emphasises the power which still resides in pure story-telling when the garment of conviction and atmosphere is easily worn.

**The Dark Room**, by R. K. Narayan (Macmillan).—India is beginning to make notable contributions to modern English fiction, whether in the new vigorous proletarian mood, for which the special problems of the Indian people offer such rich material, or in the gentler depiction of family life almost unknown to the Anglo-Indian observer. Mr. Narayan's *Bachelor of Arts* was a poignant revelation of the no-man's land between Indian and English cultural experience, and *The Dark Room* confirms the novelist's power over restrained personal tragedy. The subject-matter is not aggressive or over-grandiose. It is the private agony of an Indian wife, faithful to her husband, proud of her children, domestic in her instincts, carrying out her duties until the arrogance, the neglect, the infidelity of her husband forces her into the "Dark Room" of seclusion and finally into escape and return. As quintessential information concerning another world, as a reminder of likeness in human behaviour, as characterisation within limits as restrained as those Jane Austen imposed on herself, but without bitterness or scorn or sub-acidity, as sustained and measured evocation of atmosphere, the book has a quiet integrity which makes one congratulate the publisher on his courage in venturing on a publication in which there is none of the factitious attraction which seems necessary to secure attention in a world of hectic and hysterical competition. Nothing could serve more happily for the better understanding between two great Continents.

**Journey to the Border**, by Edward Upward (Hogarth Press).—It must not be forgotten that the new movement in poetry has an aura of prose surrounding it. The prose of Isherwood in the service of Auden's drama is, of course, known, the descriptive powers of MacNeice are already well-tried, and in pure fiction this novel is of outstanding quality as a first offering. That it is derivative is no derogation. The influence of Proust and Joyce, of Cézanne and Picasso on their respective arts does not prevent dispassionate assessment of the individual utiliser and manipulator. Mr. Upward's novel, however, is significant as the most interesting example of Franz Kafka's influence on English writing. Curiously enough, the tortuous pattern of Kafka's allegory has had a strong effect on the verse of Auden, but here the whole method is taken over from *The Castle*, the vivid working of an inferiority complex, the cringing before authority, the over-compensation of protest within a strait-jacket, the bitter clarity which the immediate details of allegory must possess, all are here. The difference is in scale and implication and direction. Mr. Upward's story is on a small scale, the problem of right and left is not on the same level as Kafka's more universal problem of right and wrong. Salvation here is almost a petty matter of local emancipation rather than the bursting of the bonds of humanity through a single delegate; but in spite of this, Mr. Upward's unity of tone and seriousness of texture, his control over the perspective of hallucination, and his measured integrity give a distinction which removes the book far from the banalities of the fictional improviser.

## ART, DRAMA, CINEMA, AND MUSIC.

### I. ART.

SINCE 1870, when a collection of paintings by old masters and selected works by two deceased artists, C. R. Leslie, R.A., and Clarkson Stanfield, R.A., were on view at Burlington House, exhibitions of a somewhat similar nature have been held by the Royal Academy between January and March in every year, except once or twice during the Great War. In 1938 the exhibition was composed of seventeenth-century art in Europe and was of remarkable interest, covering as it did the work of such artists as Rembrandt, Velasques, Rubens, Vandyck, Vermeer, Murillo, Claude, and El Greco, among many others. And the works of these masters were not the only attractions, which included besides examples of the same period of sculpture, tapestry, miniatures, drawings, furniture, silver, musical instruments, and occasional curiosities such as the portrait of a lady painted two hundred years ago, and in a case beneath it the actual gown which she wore when she sat to the artist. The selection and cataloguing of the paintings, both admirably done, were entrusted to Mr. E. K. Waterhouse, who was assisted in their collection by Mr. Francis Dodd, R.A., and Mr. H. Isherwood Kay, the Keeper of the National Gallery; and the drawings and engravings were selected and catalogued by Mr. A. E. Popham of the British Museum, Mr. A. E. Richardson, A.R.A.; Mr. Leigh Ashton, and Mr. M. N. F. Stuart of the Victoria and Albert Museum. Statuary was not a feature of the exhibition, which however included one interesting example of the art. This was Bernini's large and fine work, "Neptune and Glaucus," lent by Lord Yarborough, which was bought by Sir Joshua Reynolds when travelling in Italy, and taken to London by him in the hope of disposing of it at a profit. He failed to do so and it remained unsold in his coachhouse until his death.

The paintings at this exhibition were of uncommon excellence and included two fine examples by Velasques, "The Water Carrier of Seville" and "Portrait of a Gentleman," both lent by the Duke of Wellington, whose forefather, the first Duke, captured them when that great soldier won the Battle of Vittoria and defeated Joseph Bonaparte who was taking these and other Spanish pictures to Paris. Of several paintings by Rembrandt one of the most striking was the "Portrait of the Artist," which was lent by Lord Rothermore, who also contributed an interesting Rubens, "The Virgin and Child in Glory." Another fine and famous painting was a masterpiece by Vandyck, his full length of the Abbé Scaglia, lent by Lord Camrose and in marvellous condition although painted three hundred years ago. One of the best of the many paintings by Rubens was

his "Portrait of a Man," said by some to represent himself; and another of great interest was certainly a self-portrait of him, No. 55, which was painted for Charles the First when Prince of Wales, and was lent for the present exhibition by His Majesty the King. Another interesting Rubens lent by the King was a landscape, in marvellous condition considering its age, "The Farm at Laeken." The largest painting by Rubens in this fine exhibition was the immense work, "The Duke of Buckingham on Horseback," which nearly covered one of the end walls of the large Third Gallery at Burlington House.

Fewer works than usual were submitted to the Council of the Royal Academy for the summer exhibition. The paintings in oil, which numbered 5,207 in 1937 fell to 5,072; and the water colours from 3,656 to 3,459; but the architectural drawings were more numerous than usual. Of all these various works only eleven were accepted outright, all the others were "doubtful," and from them the greater part of the exhibition was made up. The Hanging Committee was composed of Sir Edwin Cooper, Mr. Lamorna Birch, Mr. Russell Flint, Mr. Oliver Hall, Mr. Harold Knight, Mr. George Harcourt, Mr. Gilbert Ledward, Mr. Stephen Frederick Gooden, and Mr. James Woodford. One of the places of honour in the exhibition, the centre of a wall of Gallery Three, was occupied by Mr. Frank O. Salisbury's huge representation of the Coronation which drew crowds to gaze upon the picture of the King and Queen and all the distinguished persons who watched the ceremony. Mr. Campbell Taylor's picture of the same event, "The Coronation of His Majesty King George VI," which hung upon the adjoining wall, also attracted great attention; and another conspicuous picture was Mr. Meredith Frampton's striking portrait of Sir Frederick Gowland Hopkins, also on the line, at the other end of Gallery Three. Other conspicuous portraits in this room were those of Queen Mary, by Mr. Simon Elwes; Sir John Simon, by Mr. Gerard Kelly; Sir David Milne-Watson, by Mr. Harold Knight; of Admiral of the Fleet, Lord Chatfield, by Mr. R. G. Eves; and of Lady Armstrong and Lady Penrhyn, by Mr. Gerald L. Brockhurst. The following pictures were bought by the Chantry Trustees: "Bird-nesting, Ludlow," by P. Wilson Steer, 800*l.*; "A Student," by Harold Knight, R.A., 350*l.*; "Cattle Market," by J. Bateman, A.R.A., 500*l.*; "St. Ives, Cornwall," by S. J. Lamorna Birch, R.A., 100*l.*; "Sailing at Blakeney," by Sir William Llewellyn, P.R.A., 85*l.*; "High Tide, Blakeney," by Sir Walter Russell, R.A., 262*l.* 10*s.*; "In the Parlour," by Francis Dodd, R.A., 367*l.* 10*s.*; "Building in Berkeley Square" (oil), by C. Cundall, A.R.A., 125*l.*; "Yachts at Lymington," by Miss E. B. Bland, 52*l.* 10*s.*; "Winter on the Wyndrush," by A. Gosset James, 105*l.*; "Washing Day," by Gerald Moira, 42*l.*, and "Winter at Richmond," by P. Connard, R.A., 126*l.* The Academy lost one of its members this year, when Mr. Augustus John resigned on account of the rejection by the Hanging Committee of a picture painted by one of his friends.

Mr. John, however, held an exhibition of his work at Messrs. Tooth's Gallery in New Bond Street which was composed chiefly of paintings of coloured men and women. It was largely attended and most of the

paintings found purchasers. Excellent shows of pictures by the old masters were held at Messrs. Agnew's and Messrs. Colnaghi's ; of painting of horses, by Mr. A. J. Munnings, R.A., and of portraits and sketches by Sir William Nicholson at the Leicester Gallery. Messrs. Agnew, in addition to their London exhibitions, held a large and important one at Birmingham, at which fine old masters were on view. Some good pictures were shown at the Arlington Gallery in July by Miss Kemp-Welch, one of the ablest of English women painters, two of whose paintings of animals are in the Chantrey collection. They included landscapes, and fine studies of horses, in the painting of which this artist excels. One of the earlier exhibitions at the Leicester Galleries was of the work of Botzaris, an artist Greek by birth but speaking several languages with a fluency that enabled him in the Great War to act as interpreter in several of the Allied Armies. His work showed that it was as various as his languages, for it included good sculpture, drawings in line, and caricatures. Gainsborough's "Morning Walk," one of the finest works by that master, was shown with other paintings at Paris in the summer. An exhibition of German pictures, held at the New Burlington Galleries, was disappointing and in no sense representative of the art of a country that in the past has produced so many famous painters.

The autumn exhibition of the Royal Society of Painters in Water Colours was held in its new and attractive gallery in Conduit Street, to which it had removed in the summer after more than a century's occupation of its rooms in Pall Mall. The Arts and Crafts Society held an exhibition at the Royal Academy late in the year, and Mr. Harold Speed and Sir William Rotherstein showed good work at the Fine Art Society's and the Leicester Gallery respectively. Although in the saleroom good prices were given for paintings by old masters they were not numerous. They included Van de Weyden's "Dream of Pope Segcius," 14,700*l.* ; Memling's "Madonna and Child," 6,510*l.* ; a triptych by an artist unknown, 4,305*l.* ; a portrait of Lady Leighton, by Hoppner, 2,310*l.* ; a landscape, by Salomon van Ruysdale, 4,000*l.* ; and a portrait of his father, by Rembrandt, 7,350*l.* This Rembrandt was once in the collection of Sir Henry Bate-Dudley, the first editor of the *Morning Post*, and the friend and champion of Gainsborough during the artist's London career. It is to Bate-Dudley's copious notes on the artist, published in the *Morning Post*, and in another paper owned by him, the *Morning Herald*, that we owe most of our information concerning Gainsborough's career.

## II. DRAMA.

In the field of drama, while the year 1938 was not particularly brilliant, the plays that were produced were neither dull nor unsuccessful. Most of our established dramatists contributed to the year's output, but none of them—unless Emlyn Williams can be reckoned an exception—contributed his best, or even his second best, play.

Bernard Shaw, for example, at last finished *Geneva*, upon which he had been at work for some years, and after a preliminary try-out at Malvern,



and alterations made necessary by the swiftness with which events march in dictatorships, it came to the Saville Theatre on November 22. It began with two acts which Mr. Shaw in his best days would probably have regarded as very perfunctory, and it ended with a long debate on current politics in which the theatre's greatest journalist showed that his hand had not lost its cunning or his mind its power. The total result was a play which nobody could rank with its author's best work.

Emlyn Williams's play was *The Corn is Green* (Duchess, Sept. 20). This was a story of a Welsh pit-boy whose outstanding mental qualities were discovered by an Englishwoman who had carried the banner of education into a remote Welsh valley. The play, in which the conflict lay between the boy's low inherited moral standards and his desire for the wider life opening before his eyes, was very brilliantly acted by Mr. Williams himself and Dame Sybil Thorndike. It was a curious mixture of authenticity and dramatic licence. In creating the character of the pit-boy Mr. Williams was able to draw upon the circumstances in which he himself had begun his education in a Welsh village and finished it at Oxford; but in postulating a Welsh valley devoid of any organised education so late as the 'nineties of the last century, he was taking a considerable liberty with history.

J. B. Priestley had what must be reckoned almost a quiet year after his extraordinary activities in 1937, but only of a man of his dynamic energy could the epithet be justified, since his 1938 record included two new plays and a highly successful revival. One of the new plays, *Music at Night*, was tried out at the Malvern Festival in August and had not reached London by the end of the year. It was a very interesting attempt to objectify the thoughts and emotions roused in a group of people while listening to a musical composition. Each movement of the music corresponded to an act of the play.

Mr. Priestley's other new play, *When We Are Married* (St. Martin's, Oct. 11), was a very popular farcical comedy dealing with the Yorkshire of his own youth. In this, certain Nonconformist pillars of the municipality, upholders of the strictest code of morals and conduct, discovered that a flaw had existed in the marriage ceremony at their joint wedding twenty-five years before, and that they had in consequence been living lives of flagrant licence all that time. The revival was at the Westminster (Oct. 19), where Mr. Priestley's first and most ingenious play, *Dangerous Corner*, had a new interest in view of its author's brilliant achievements since it was first written.

James Bridie had a busy year, but not one of his best, for while three new plays came from his pen, not one enhanced his reputation or drew the public. He, too, contributed to Malvern. Indeed, his comedy *The Last Trump* was generally thought to be the best of the batch of new plays by distinguished authors which made up this Festival; but when it came to the Duke of York's (Sept. 13), it had only a short run. *The King o Nowhere* (Old Vic), did little better; and *Babes in the Wood* (Embassy) never reached the West End. Every one of these plays contained scenes or characters which live in the playgoer's mind as among the most vivid

experiences of the year ; but not one of them amounted in sum to a satisfactory piece of story-telling.

Merton Hodge was another established author who made more than one contribution to the theatre during the year. *The Island* (Comedy, Feb. 10) was an honest and affective study of a group of Army people in an isolated station, and gave Godfrey Tearle a good emotional part. This play ran well for some months ; but Dr. Hodge's adaptation for the stage of Olive Schreiner's *Story of an African Farm* (New, Nov. 30) lasted only a few weeks. The book did not lend itself very kindly to its adapter's purpose, and the play devolved into a mere director's exercise in the art of reproducing local colour.

Because *Robert's Wife* ran throughout the year at the Globe, St. John Ervine was able to enjoy the not very common experience of having two plays on together in the West End, though his *People of Our Class* (New, May 11) was not by any means so good a piece of work as the other, and did not keep it company for long. Another dramatic critic also brought off a double event during the year, for Herbert Farjeon, whose revue *Nine Sharp* (Little) was one of the most pointed satires of 1938 and, opening on January 26, saw the year out, also collaborated with his sister, Eleanor, in writing *An Elephant in Arcady* (Kingsway, Oct. 5). This was not so successful as the former piece, but its charm was so universally and deservedly praised that it added greatly to its authors' reputations.

An author of standing whose work was also seen twice during the year was Michael Egan, but neither of his two new plays were seen in the West End. *Profit and Loss*, tried out at the Embassy, was not up to his best standard, but *To Love and to Cherish*, given a single Sunday-night performance by the London Playgoers' Club, represented an advance on his previous best work, so far as the actual writing was concerned.

One of the most remarkable plays of the year was *Glorious Morning*, by Norman Macowan, a 61-year-old actor who had not written a play for a very considerable time. His play, a sincere and absolutely fair-minded denunciation of totalitarianism, had a very long run first at the Duchess (May 26) and then at the Whitehall, and was still drawing audiences to the latter theatre when the year ended.

Dodie Smith with *Dear Octopus* (Queen's, Sept. 14), Ben Travers, who broke a long silence with *Banana Ridge* (Strand, April 27), and Gilbert Wakefield with *Room for Two* (Comedy, Sept. 6), were three experienced dramatists who turned out workmanlike and successful plays up to, but not above, their own good average. Noel Coward, with *Operette* (His Majesty's, March 16) was not quite up to his standard. Ivor Novello, with *Comedienne* (Haymarket, June 16), treated of a world with which he was very well fitted to deal, but made the mistake of choosing a theme too serious for his pen, and scored only a very partial success.

Rodney Ackland was represented this year by *Remembrance of Things Past*, a piece which, produced on a Sunday night by the International Theatre Club, left an impression on one's mind of being perhaps a better play than this production had allowed it to seem. A. A. Milne's contribution was *Gentleman Unknown* (St. James's, Nov. 16), which fell between two

stools. The romantic courtship of Mr. Milne's lovers and the serious problems of their marriage seemed to be incidents out of different plays. Those who enjoyed the gaiety of the first act could not attune themselves to the seriousness of the last one; while those who liked the last one deplored the frivolity of the first. H. M. Harwood was represented by an unsuccessful comedy, *The Innocent Party* (St. James's, Jan. 27), which he wrote in company with Laurence Kirk. Keith Winter's *Weights and Measures*, which got no nearer the centre of things than Richmond, had an attractive idea but an unattractive set of characters. *Good and Proper* (Embassy) aroused interest because it was the second play of Gerald Savory, whose *George and Margaret* ran throughout the year; but it had no special merit, except to serve to show that Mr. Savory is not a one-play man. Nothing new came from Terence Rattigan, but his *French Without Tears* (Criterion) ran through the year once again.

Among the new dramatists one stands out head and shoulders above the rest, not merely because of his distinction in other kinds of authorship but also because he wrote the play of the year. This was *The Flashing Stream* (Lyric, Sept. 1), by Charles Morgan, the third dramatic critic to enjoy notable success in 1938 as a playwright.

Mr. Morgan is, first of all, a novelist, and it does not seem very likely that his long run with this play, or the chorus of praise that greeted its appearance, will tempt him to become a regular dramatist. He wrote *The Flashing Stream* during a lull in the progress of a novel, on a theme—singleness of mind—which had to do with the novel. His early training in the Navy enabled him to invent and make plausible an exciting story of a secret naval invention with which to illustrate his theme. In fact, he wrote his play because he found it in his mind, not because he had an urge to write for the theatre. He may never write for it again; but it is to be hoped, for the theatre's sake, that he will.

Very different is the case of Robert Morley, whose first successful play, *Goodness, How Sad!* (Vaudeville, Oct. 18), had ten times more quality than its inane title might be thought to imply. Mr. Morley is a dramatist through and through. He is an actor, and he writes for, and out of, and about the theatre. Indeed, his chief danger, as a dramatist of more than ordinary promise, is that he may not be able to shake the theatre off when he comes to write about men and women who are not of that world. A previous play, *Short Story*, which was about ordinary people, had nothing like the actuality which was the hall-mark of *Goodness, How Sad!*

*Traitor's Gate* (Duke of York's, Nov. 17), a play about the death of Sir Thomas More, introduced a new author of quality to the theatre in Morna Stuart, who had so emphatically something worth while to say that one forgot the fact that she was not saying it in the theatre to the best advantage; and the same comment applies, though with nothing like the same force, to Katriona and Elizabeth Sprigge about their *Elisabeth of Austria* (Garrick, Oct. 3). In the case of Esther McCracken with *Quiet Wedding* (Wyndham's, Oct. 14), however, the comment must be turned inside out. She dramatised her domestic crisis with so much humour and observation that we forgot that nothing worth our while was going on.

*Spring Meeting* (Ambassadors, May 31) was a delightful light Irish comedy which gave a long run to two authors—M. J. Farrell and John Perry—who had not previously written a play. The International Theatre Club, which on its record for the year proved itself one of the best of the Sunday producing Societies, gave chances to two new authors of interest. The first was Peter Blackmore, whose comedy *Lot's Wife* was a sort of satirical modernisation of the Bible story, and ran well at the Whitehall (June 10), the Aldwych, and the Savoy. The other was Rosamund Lehmann, the novelist, whose *No More Music* had a quality of its own and a most effective part for the author's sister, Beatrix Lehmann. Other plays by new or unknown dramatists which deserve passing mention are *She Too Was Young*, by Hilda Vaughan and Laurier Lister (Wyndham's, Aug. 16, and New); *Poison Pen* (Shaftesbury, April 9), by Richard Llewellyn; *Land's End* (Westminster, Feb. 23), by F. L. Lucas; *Plan for a Hostess* (St. Martin's, March 10), by Thomas Browne; and *Trial of a Judge* (Unity), a verse tragedy, by Stephen Spender. Also *Goodbye, Mr. Chips* (Shaftesbury, Sept. 23), by James Hilton and Barbara Burnham, was a workman-like adaptation of Mr. Hilton's novel.

Among the interesting importations from abroad during the year, pride of place is taken by Robert Sherwood's *Idiot's Delight* (Apollo, March 22), an eloquent criticism of war-mongers which hit the public taste very exactly in the early part of the year. It ran very well until the political crisis of the autumn made it seem too much like a page from current history. Another play which dealt with modern politics was *Power and Glory* (Savoy, April 8), in which Karel Capek pictured a dictator who lost his power at the instant when he declared war. M. Capek's death at the end of the year deprived Czechoslovakia of her only literary figure of international rank.

*Golden Boy* (St. James's, June 21) introduced to the public a new American dramatist of unlimited promise and considerable achievement in Clifford Odets, whose *Awake and Sing* was also seen at a Stage Society performance. He has dynamic force and sense of the theatre in an extraordinary degree, and when he knows what he wants to say as well as he already knows how to say it, this young man may make theatre history. The other impressive importation from New York during the year was a version by S. N. Behrman of Giraudoux's *Amphitryon 38* (Lyric, May 17), in which Lynn Fontanne and Alfred Lunt gave one of their exhibitions of acting that is so beautifully harmonised that one thinks of it in terms of music rather than of movement.

*Elizabeth, Femme sans Homme*, by André Josset, was produced at the Gate Theatre and, being then licensed by the Censor, was transferred to the Haymarket (April 20), in order that Lilian Braithwaite's remarkable acting as Queen Elizabeth might be seen by a wider public—but the wider public neglected its opportunity. *Dodsworth*, a version by Sidney Howard of Sinclair Lewis's novel, was produced at the Palace (Feb. 22), but the casting of Gladys Cooper and Philip Merivale for two essentially American parts obscured some of the play's merits and neutralised much of the appeal of the players. And the last of the foreign plays was Eugene

O'Neill's *Marco Millions*, which the Westminster Theatre produced just after Christmas, by way of crowning a very interesting year's work.

There were some memorable revivals of classical plays during the year, several of them the work of Michael Saint-Denis, the Frenchman who originally came to London at the head of the *Compagnie des Quinze*. His staging of *Three Sisters* (Queen's, Jan. 28) during John Gielgud's memorable tenancy of that theatre, was imaginative realism at its finest. Later in the year he began a series of productions at the Phoenix with a revival of Bulgakov's *The White Guard* (Oct. 6) in Rodney Ackland's adaptation, and followed this with *Twelfth Night* (Dec. 1). These three pieces of work made him, in his own line, the man of the year. Mention of Mr. Gielgud is a reminder that he fulfilled an old ambition to put on *The Merchant of Venice* (Queen's, April 21) and play Shylock not as a noble dramatic figure who dominates the play, but as a typical old Jew of the Venetian ghetto. Opinion was divided about the merits of this reading of the part, but there was no doubt about the interest of the occasion.

The Open-Air Theatre continued on its way, *Lysistrata* being its most original production; the Westminster inaugurated its new policy and management with a modern-dress version of *Troilus and Cressida* (Sept. 21), which deserved more credit than it got; and the Old Vic, with Tyrone Guthrie in charge, did a good year's work, *The Rivals* being given a particularly fresh and lively production.

During the year two special matinées of more than usual interest took place. On May 23, the centenary of Henry Irving's birth was celebrated at his old theatre, the Lyceum, in a play designed for the occasion by Edward Knoblock as a tribute to the great actor's memory. In this performance, which was sponsored by *The Daily Telegraph*, the entire available strength of the theatrical profession took part. A month later (June 20), at His Majesty's, Irene Vanbrugh signalled her jubilee as a leading actress.

### III. THE CINEMA.

The year 1938 opened as badly as any year since 1926, the famous low level year when only one film was made. In January 1938 only four studios were working, while thirteen stood empty. Of the eight stages available only five were in use. The Association of Cine Technicians reported that of their 750 members 600 were out of work. Plasterers, carpenters, property and make-up men were in a similar plight. The National Association of Theatrical Employees estimated that 70 per cent. of their members were unemployed. Between two and three thousand extras and small part players were looking for jobs.

This state of affairs was due to the uncertainty as to the details of the Cinematograph Films Bill. No one dared make a picture till they were quite certain what was needed for quota requirements.

The cloud did not lift till April; when the Bill became an Act the industry planned to spend 3,000,000*l.* to make the hundred and fifty films that would be needed.

Each "quota" film must cost 15,000*l.*, but a film costing considerably more or one which is booked for the United States will count as equal to two or three films for quota showing.

Thus died the notorious "quota quickie" which was a cheap and hasty production. It brought discredit on the industry, and the exhibitors, obliged by law to show so much footage, often put these pictures on very early in the morning, when, though the theatre was open, there was no audience save cleaners. Nevertheless such pictures occasionally showed merit and it is regretted that there is no "quality" clause in the act. It is hard on the ambitious young producer that money should be made the sole test of a picture.

In fact the rising costs of production were an issue closely debated by the renters and producers. The Kinematograph Renters Society urged that either cinema programmes must be shorter or the price of admission higher. The public had been educated to expect more and more lavish entertainment. If that standard was to be maintained there should be more and more money coming into the box office.

Yet it is not always the best-known names nor the most expensive productions that bring in the public. Popularity must not be judged by the West End of London. Two comedians who consolidated their position during the year were Sandy Powell and George Formby, Jr. They make unpretentious comedies on which the exhibitor can be assured of good takings and they are liked and understood all over the country.

As soon as the Films Act was passed Tom Walls made a practical demonstration of his faith in the industry by forming his own company on a co-operative basis—T. W. Productions Ltd. He decided to draw no salary but to take a percentage of the profits if the films were a success. If they were not, his view was that he didn't deserve any salary. Ben Travers, the well-known farce writer, came in on the same basis. Their first production was "Old Iron."

During the year British productions showed a tendency to be more serious, more ambitious, and more intelligent. To everyone's surprise the policy paid.

Early in the year we had "Bank Holiday," a brilliant attempt to give us the reality of the national August exodus, full of implied criticism of the manner in which we take our pleasures.

Robert Stevenson again showed his worth with "Owd Bob," a refreshing picture, set in Cumberland and featuring sheep dog trials. Will Fyffe carried off the acting honours.

Alfred Hitchcock maintained his reputation. Early in the year he made a pleasing trifle, "Young and Innocent," starring Nova Philbeam, and later he scored more heavily with his thriller, "The Lady Vanishes." Technically he grows more and more skilful, but he limits himself to subject-matter that, however effective, is purely artificial.

Gracie Fields—reported to be the biggest box office draw among British artists—made an ambitious picture under the direction of Monty Banks. From Hollywood came Victor McLaglan to be her leading man. "We're Going to be Rich" moved far from Lancashire and ended in the South African gold-fields.

Charles Laughton was at his best in "Vessel of Wrath" from the Somerset Maugham short story. The tropics were well suggested and Elsa Lancaster in her first big chance was notably successful.

Later in the year Laughton gave us "St. Martin's Lane," a glimpse of the life of the street buskers and a study in Cockneydom. Somehow the picture was never quite convincing, and Vivien Leigh was a London gutter waif who seemed to have been reared in Kensington.

Two more British productions deserve notice. "Pygmalion," with Leslie Howard and Wendy Hiller, surprised the industry by a long West End run, where it was found that Shaw's humour and Shaw's dialectics were appreciated by film-goers. It confirmed the growing suspicion that there is a market for intelligent pictures.

Anna Neagle and Anton Walbrook repeated their performances as Queen Victoria and her consort in "Sixty Glorious Years," which was better than "Victoria the Great," and which was produced entirely in Technicolor, a process which has made enormous strides and which enhanced the beauty of the period costumes and uniforms.

The main Korda contribution to the year's pictures was "The Drum," which starred Sabu in a North-West frontier drama.

Metro-Goldwyn-Mayer, true to their promise, made "A Yank at Oxford" over here on the same lavish scale as they make their pictures in Hollywood. If Robert Taylor behaved more like a film star than an undergraduate his fans were perfectly satisfied.

Two young people made good during the year—Margaret Lockwood and Michael Redgrave.

America sent us a number of fine pictures. They opened the year well with "Stage Door," in which we had Katherine Hepburn, Ginger Rogers in her most ambitious straight part to date, and Andrea Leeds, a newcomer who scored a personal success.

Spectacular effects were offered in "Hurricane," in which the wind and the waters contested for starring honours with handsome newcomer Jon Hall, and "In Old Chicago," in which the great fire burnt everything except Alice Brady and Tyrone Power.

Most expensive of all was "Marie Antoinette," a picture some two years in the making and which provided a come-back for Norma Shearer who had not been seen since the death of her husband. The angles of treatment were suggested by Stephan Zweig's book.

Another come-back brought us Harold Lloyd in "Professor Beware."

The outstanding picture of the year was Walt Disney's "Snow White and the Seven Dwarfs." Two years and a mint of money were spent but many were sceptical as to whether a full-length picture without any living people could sustain the interest. The box office result was gratifying. The picture had a tremendous reception in America and proved equally popular in England. The critical, while particularly admiring Disney's animal world, did not greatly care for his hero and heroine and found the dwarfs unnecessarily ugly after the little men which Walter Crane had made familiar in the Grimm that was to be found in most nurseries.

In the Summer there was a wave of prison pictures. In "Boy's Town"

Spencer Tracy and Mickey Rooney took us inside a new style of reformatory, in "Prison Nurse" we were with the adults behind bars. George Raft and Sylvia Sidney had something to contribute about men on parole in "You and Me." Sing-Sing was the location of "Over The Wall." Britain offered "Prison Without Bars," an English adaptation of a French film about a girl's reformatory. At one time both versions were showing simultaneously in London.

June saw an interesting wave of revivals culminating in the showing of two Valentino pictures, "The Sheik" and "The Son of the Sheik." They had a mixed reception but the general opinion was that cinema technique had made such strides during the twelve years following the star's death, that it was difficult to judge the merits of his performance.

Three well-known film figures died the following month: Max Factor, the Hollywood make-up expert; Warner Oland, best known for his Charlie Chan pictures; and Pearl White, serial queen of silent days.

#### IV. MUSIC.

During the early part of the year the attention of musicians was engaged by Schumann's Violin Concerto and the events and discussions that surrounded its first performance. The historical facts are as follows: the Concerto was completed in 1853 and privately played by Joachim in 1854; after Schumann's death in an asylum in 1856 Joachim, Clara Schumann and Brahms decided that it would do no service to the composer's memory for the work to be issued to the contemporary public; after Joachim's death his heirs presented the manuscript to the Royal State Library in Berlin with the stipulation that the work should not be published before the centenary of the composer's death. The lifting of this ban, eighty years later, was brought about by the efforts of the sisters Jelly d'Aranyi and Adila Fachiri, grand-nieces of Joachim and both well-known violinists. Miss d'Aranyi's statement, to which great publicity was given during 1937, was that at a spiritual séance she had received a message from Schumann himself, apprising her of the existence of the Concerto and urging her to bring it to light. The various authorities concerned yielded to Miss d'Aranyi's persuasions, the Concerto was published by Messrs. Schott, and it was announced that Miss d'Aranyi would give the first public performance at a B.B.C. concert in the autumn of 1937. The right of first presentation was, however, claimed by Germany, where the first performance occurred in November. America and Palestine had also heard the work before Miss d'Aranyi at length gave the first English performance at the B.B.C. concert on February 16, 1938. The second English performance was given by Yehudi Menuhin at the Albert Hall on March 6. Though both players professed to hold the work in high regard, the general opinion was that it exhibited to a marked degree the artistic failings of Schumann's last years.

Orchestral music in London was maintained at its usual level of quantity and quality by the three leading bodies. The London Philharmonic Orchestra, conducted on most occasions by Sir Thomas Beecham, played



at the concerts of the Royal Philharmonic Society. A Symphony in G minor by E. J. Moeran was produced on January 13, a Rhapsody for violin and viola by Arthur Benjamin on March 24, and a Suite from Arthur Bliss's ballet, "Checkmate," on April 7. During the autumn season the only novelty was an orchestral version by Edmund Rubbra of Brahms's Variations on a Theme by Handel, an original choice of music for transcription. The Philharmonic concert on October 27 was the beginning of a Sibelius Festival directed by Sir Thomas Beecham. This important and well-judged tribute to the foreign composer most favoured in England consisted of six concerts, from October 27 to November 12, at which all the seven Symphonies were played, seven of the larger Tone-poems, the Violin Concerto, the String Quartet, and numerous smaller pieces. The London Philharmonic played at the numerous Beecham Sunday afternoon concerts and at a new series on Saturday afternoons that began on December 10. This orchestra also played at the Courtauld-Sargent concerts, which ended their ninth and began their tenth season. At the duplicated concerts on February 7 and 8 Jean Françaix, the liveliest composer of the modern school, played his Piano Concerto for the first time in England.

Besides Schumann's Violin Concerto, the novelties introduced in the course of the B.B.C. symphony concerts were a Symphony by Malipiero on February 23; Prokofiev's Suite "Romeo and Juliet" and second Violin Concerto on January 26; and two "Nature Poems" by Eugene Goossens on November 11. The Bruckner campaign being temporarily in abeyance, two important occasions were devoted to the parallel case of Mahler, the Jewish Viennese composer whom Germany and Austria admired for a generation but who has never been accepted at a like valuation in England. On February 9 the performance under Sir Henry Wood of the colossal eighth Symphony, or "Symphony of the Thousand" was received (as before) without enthusiasm; but the song-cycle "Das Lied von der Erde," given under Sir Adrian Boult on November 23, was widely hailed, not for the first time, as a masterpiece of orchestral imagination and craft. In May and June the B.B.C. orchestra went through the refining fire of a Toscanini festival—as it was in effect, though it bore the title of London Music Festival. The programmes of the six concerts were typically miscellaneous. Yet unity of effect arose from the ever-present factors brought into the performances by this conductor's musical vision and tremendous personality. The two performances of Verdi's Requiem on May 27 and 30 were the summit of the year's concert-room experiences. The B.B.C. orchestra also officiated, as usual, under Sir Henry Wood at the Promenade season from August 6 to October 1. The novelties were Constant Lambert's "Horoscope" Suite from the Sadler's Wells ballet, a Piano Concerto by Benjamin Britten that did not increase the number of that ingenious composer's admirers, an uningratiating Allegro Symphonique by the Belgian composer Marcel Poot, Bliss's music to the "Conquest of the Air" film, Roussel's "Flemish Rhapsody," Milhaud's "Suite Provençale," and an "Overture" for unaccompanied chorus by Anthony Lewis. Important repetitions were the Symphonies by Dyson and Moeran, each given its second performance. The B.B.C. orchestra played the chief part

in the I.S.C.M. festival mentioned below, and thereby enhanced its international reputation. One of its most notable broadcasts was that of December 16, when it introduced a Concerto for String Orchestra by Herbert Howells and the second Symphony by Edmund Rubbra, who, if anybody, can be considered the composer of the year.

The Monday symphony concerts given by the London Symphony Orchestra under various conductors were confined to standard music. On October 30 this orchestra, with Charles Hambourg as conductor, began a series of six Sunday afternoon concerts at Queen's Hall under the title of "Sunday Pops."

The enterprise that ranked next in importance to the doings of the three big orchestras was the series of London Theatre Concerts given at the Cambridge Theatre on Sunday evenings. Sir Thomas Beecham, President of the Society, helped to establish the credit of this all-Mozart season by conducting the concert on April 10. For the second season, which began on October 2, the repertory was extended to include some out-of-the-way works by Haydn and Schubert.

Two foreign orchestras visited London. The Berlin Philharmonic, under Furtwängler, played at Queen's Hall on January 21 and at the Albert Hall two days later. In November the Prague Philharmonic Orchestra, conducted by Rafael Kubelik, making their third visit to Britain, gave seventeen concerts at sixteen towns in nineteen days; they came to Queen's Hall on November 10 and 15. Other visitors to London concert halls were the Yugoslav Academic Choir, the Quartetto di Roma, and the Danish Quartet. Recitalists of the year included Kreisler (twice), Menuhin (twice), the two Menuhins (twice), Lily Pons, Tauber, Flagstad, Grace Moore, and Marian Anderson. On November 27 John McCormack gave his farewell recital.

Many foreign musicians came to London for the sixteenth annual festival of the International Society for Contemporary Music, which was held on June 17 to 24. (This itinerant European festival had previously visited London only in 1931.) There were three orchestral concerts, each with a choir, two chamber concerts, a performance of old English operas at the Royal College of Music, a folk-dancing display at Cecil Sharp House, and a recital of English church music at Westminster Abbey. Of the thirty-six modern works presented the most notable were a String Quartet by Karl Hartmann (Germany), the choral piece "Das Augenlicht" by Webern (Austria), a Sonata for two pianos and percussion by Bartók (Hungary), scenes from the opera "Mathis der Maler" by Hindemith (Germany), and excerpts from the oratorio "Das Gesicht Jesajas" (the vision of Isaiah) by Willy Burkhard (Switzerland). The whole of this last work, which made a deep impression upon other than modernist musicians, was broadcast from a B.B.C. studio on December 2. Other examples of modernist music were regularly provided by the B.B.C. Contemporary Music concerts, those of the London Centre of the I.S.C.M., and an individual venture in the shape of the Adolph Hallis concerts. An incident at one of these concerts occasioned widespread remark. During the first performance in England of a difficult String Trio by Webern the 'cellist

threw in his hand and walked off the platform, to the scandal of the assembled admirers of that mystic composer. The Trio was performed intact, by other players, at one of the Hallis series in the autumn. At the I.S.C.M. festival it was announced that on the resignation of Professor E. J. Dent, who had been President of the Society since its inauguration, his successor would be Mr. Edwin Evans.

The Covent Garden summer season of opera was given by the London and Provincial Opera Society from May 2 to June 17. This year Wagner's "Der Ring des Nibelungen" was kept back for over a fortnight while seven other German operas served to display such an array of voices and talent as had not been witnessed in the post-war years. In "Die Zauberflöte" on the opening night attention was focussed upon Richard Tauber, a popular romantic tenor previously associated in this country with films and Viennese operettas. It was a cause of considerable surprise as well as gratification that he had a different and superior personality to reveal in the part of Tamino. He was an apt member of perhaps the finest cast of singers that had presented this opera to English audiences of the day. The second opera was "Der fliegende Holländer," with Janssen an unsurpassed Dutchman and Margarete Kubatzki, a newcomer, as Senta. "Der Rosenkavalier," on May 4, afforded a Press sensation. Near the end of the first act Lotte Lehmann was too unwell to continue her famous impersonation of the Marschallin; with less than a half-hour's delay Hilde Konetzni, who happened to be in the theatre, was in Madame Lehmann's place, and the evening was saved. Madame Konetzni thus anticipated her Covent Garden début by a day. Fritz Krenn, an accomplished singer and actor, made himself the only convincing successor to Richard Mayr in the part of Baron Ochs. The Oktavian was the best we have known, Tiana Lemnitz. The performance of "Elektra" on May 5 was made memorable by the brilliance of Rose Pauly's début in the chief part and the vividness of Thorborg's impersonation of Klytemnestra; with Konetzni as Chrysothemis, Janssen as Orest, and Erich Kleiber conducting, this performance was one of those supreme events that occasionally vindicate the Covent Garden system. Tauber joined in "Die Entführung aus dem Serail" on May 13 as Belmonte. In "Lohengrin" Thorborg added Ortrud to her astonishingly varied feats of characterisation. "Fidelio," on May 17, introduced the tenor Helge Roswaenge, who as Florestan was accounted one of the discoveries of the season. Rose Pauly did not emerge strongly as Fidelio. Two cycles of "The Ring" were given. "Die Meistersinger" on June 6 completed the German repertory. Karl Kamann as Sachs and Karl Laufkötter as David added further to the season's notable list of new arrivals. With this reinforcement the familiar company of artists maintained the performances at a typically high level. Conspicuous among them were Janssen with eight parts and Ludwig Weber with six.

The Italian operas were "Rigoletto," "La Tosca" and "La Bohème." With Beniamino Gigli as principal tenor the public desired no more than these. Though it was said of this gifted and skilful artist that his Duke of Mantua, Cavaradossi and Rodolfo were much the same person, in fact

that he did not greatly concern himself with the characters whose names he bore, yet he was actually the commanding figure of the Italian season. He embodied Italian tenorship with a naturalness, fullness and reality that had been achieved, since Caruso, by Martinelli alone. Of the other singers Lina Pagliughi, the possessor of a lovely voice and a highly cultivated style, made a distinctive appearance as Gilda. A later Gilda, Luella Paikin, won praise all round by the freshness and delicacy of her coloratura. The outstanding English singers during the season were Lisa Perli (Mimi), Stella Andrevá, Mary Jarred, Edith Furnedge, Heddle Nash, Henry Wendon and Norman Allin. Furtwängler conducted "The Ring," Erich Kleiber "Elektra" and "Der Fliegender Holländer," Vittorio Gui the Italian operas, and Sir Thomas Beecham the other six.

After the summer season of opera London was well provided with Russian Ballet. The rupture in the De Basil troupe had led to the formation of two rival companies with Massine and Fokine as their artistic directors. In July the Massine company, known by the much-used title of "Ballet Russe de Monte Carlo," was at Drury Lane, while the Fokine company, unnamed, but sponsored by "Educational Ballets, Ltd.," was at Covent Garden. The latter company's new productions were Lichine's "Protée" to music by Debussy, Fokine's "Cendrillon" to music by d'Erlanger, and Fokine's "La Nymphe endormie" to music by Couperin. At Drury Lane Massine produced his long-expected ballet to Beethoven's seventh Symphony. Generally voted the best of his symphonic ballets, it only hardened the opinion of those who object on principle to the use of symphonies for dancing. In September the Massine company gave a further season at Covent Garden.

At Glyndebourne, where Mr. John Christie held his fifth season from May 21 to July 9, the repertory made its first departure from Mozart. On the opening night Verdi's "Macbeth" was given its first performance in England. The singing was worthy of the occasion; but it was Carl Ebert's imaginative production, particularly of the banquet scene, that brought the work into line with Glyndebourne tradition. A second departure was Donizetti's "Don Pasquale," first produced on June 28. Being of the same genre as Mozart's comedies but musically inferior, this opera challenged comparisons by which the totally different Verdian tragedy was unaffected. That it encountered them successfully was due to the surpassing gifts of one actor. Salvatore Baccaloni's Don Pasquale was a superb character-sketch, comic yet deftly poised, and beyond all rivalry. Mario Stabile was a clever Malatesta, and Audrey Mildmay (Mrs. Christie), happily returned to the company, was a popular Norina. The other operas, played in the main by well-known artists, were "Le Nozze di Figaro," "Così fan tutte" and "Don Giovanni." In the last-named Hilde Konetzni, the last-minute Marschallin of Covent Garden, came in as an eleventh-hour Donna Elvira. The summer's operatic doings in general were marked by a good deal of rapid flitting from distant European capitals to London by aeroplane.

A newly-formed Covent Garden English Opera Company was in possession of Covent Garden from October 10 to October 29, with a system of

cheap bookings and priority to members of the Young People's Opera Circle and the Imperial League of Opera. Vladimir Rosing was chief producer. "Faust" was re-introduced to Covent Garden after more than a decade with new ideas in staging. Other familiar works were "Madame Butterfly," "Tristan and Isolde" (with Eva Turner and Walter Widdop), "Rigoletto," "Cavalleria Rusticana," "I Pagliacci," and "Die Fledermaus." On October 20 "The Serf," an opera by George Lloyd, was given its first performance. The libretto by the composer's father (like that of the earlier opera "Iernin") presented a story of Saxon and Norman strife in the reign of Stephen; and Mr. Lloyd, junior, had austere reflected the drabness and severity of the times in his music. The opera was therefore not of a kind to win public success, for all the undoubted merit displayed by the music on its own plane. On leaving Covent Garden the company gave short seasons in Liverpool, Glasgow and Edinburgh.

Sadler's Wells augmented its repertory, its reputation and itself. During the summer recess a Lilian Baylis Memorial was added to the theatre in the form of an enlargement to the stage and a substantial annexe to the back premises. The first opera newly undertaken was "Don Giovanni," sumptuously mounted by Charles Reading and performed under Lawrence Collingwood on February 9. Nicholas Gatty's "Greysteel," a Moody-Manners production of 1906, was revived in a later version on March 23. On November 2 "Tannhäuser," after being dropped for a few years, was given under Warwick Braithwaite in the 1861 version with special emphasis on the Venusberg ballet. The producer of these three operas was Clive Carey. Sumner Austin made himself responsible for the most important production of the year, Verdi's "Don Carlos," by supplying the necessary translation and acting as producer. In every respect, especially the singing of the principals, this enterprise took rank among the highest achievements of any British opera company.

The new Sadler's Wells ballets of the year, all with choreography by Frederick Ashton, were "Horoscope," composed by Constant Lambert, "The Judgment of Paris," composed by Lennox Berkeley, and "Harlequin in the Street," to music by Couperin.

In the autumn Sir Henry Wood celebrated his jubilee as a conductor, principally with a large-scale charity concert at the Albert Hall on October 5. The proceeds were devoted to Sir Henry's Jubilee Fund for the endowment of beds for musicians in London hospitals. A bronze bust of Sir Henry at the back of the Promenade floor at Queen's Hall was unveiled on September 26.

The Bloch Society, an influential English group that aims at widening the knowledge and appreciation of Ernest Bloch's music, was increasingly active during the year. On December 3 the Society gave a reception to the composer.

In February the Fleet Street Choir went on tour in Czechoslovakia, Jugoslavia, Hungary, Roumania, Bulgaria and Poland. Sixty members of the Oxford Bach Choir joined in a Haydn Festival at Bad Ems. Dr. Vaughan Williams went to Hamburg to receive the Hamburg Shakespeare Prize presented by the University. The Royal Society of Musicians

celebrated its two-hundredth anniversary, the Plainsong and Medieval Music Society its fiftieth. Handel's "Belshazzar" was presented at the Scala Theatre as an opera for a week in May. The new books that attracted most attention were Bernard Shore's "The Orchestra Speaks," Emily Anderson's translation of Mozart's Letters, and Percy Scholes's "Oxford Companion to Music." Among the English musicians who died in 1938 were Ivor Gurney, Dr. Cyril Rootham, Sir Richard Terry, Sir Landon Ronald, and Walter Ford.

## SCIENCE OF THE YEAR.

### THE BIOLOGICAL SCIENCES.

*Human Evolution.*—Further *Dryopithecus* discoveries show that Siwalik individuals, although of infra-human evolutionary grade approached, especially in teeth characters, the outer zone of human variations. S. African remains show *Australopithecus* to have been a sort of chimpanzee with human teeth. Remains of a new mid-Pleistocene anthropoid ape, *Paranthropus robustus*, from S. Africa indicate an erect stature and, in the teeth, a closer human relation than any previously known fossil anthropoid. The S. African series of men-apes is too late for inclusion in the human phylum and apparently belongs to an analogous line of development which ultimately died out. New *Pithecanthropus* remains, showing very close relationship with *Sinanthropus*, date Java man definitely as mid-Pleistocene and place him within the line of human descent as a pre-hominid. Further *Sinanthropus* remains indicate a stature of about 5 ft. 4½ ins., with a skeleton approaching that of man much closer than do the brain and teeth, an absence of caries in the teeth, and cannibalistic habits. Neanderthal man is associated characteristically with Mousterian culture but the Swanscombe skull suggests that Acheulean man was not distinguishable morphologically from *Homo sapiens*. In general, evidence tends to suggest that modern man may have arisen from the primitive primate stem in very remote times prior to the branching off of the anthropoids. The Florisbad skull seems to be a transition from the Rhodesian to the Boskop type, heralding the modern Hottentot and Bushman races of S. Africa. Evidence suggests that in America there were two prehistoric waves before Folsom man, and artefacts date back human occupation at least 15,000 years. Blood group study of the Chinese population confirmed that it is neither autochthonous nor homogeneous. More generally, there was clear realisation of the illusory nature of ethnological classification by individual types instead of by genetic sequences. Books included Romer's "Man and the Vertebrates," Weidenreich's "Dentition of *Sinanthropus pekinensis*," MacCurdy (Edit.) "Early Man," Golomshtok's "The Old Stone Age in European Russia," Taylor's "Environment, Race and Migration," Schreider's "Les Types humains," Matta's "A Critical Examination of the Blood Groups," and Lowie's "History of Ethnological Theory."

*Cytogenetics.*—There was recognition of the widespread occurrence of inert regions in the chromosomes of plants and animals; and study of

the salivary gland nuclei of *Drosophila* confirmed the individual continuity of chromosomes, and supported the view that the genes are located between the chromomeres. Sex genes appear to be present in all chromosomes, with the possibility that a sex chromosome may become changed into an autosome and *vice versa*. The gene now tends to occupy the place formerly held by the cell; gene mutations, some of which seem to be due to position effects, are recognised as the primary steps of evolution; and the gene theory was applied increasingly to problems of macro-evolution. On the other hand, Goldschmidt, in his "Physiological Genetics," formulated a science of genetics on a physiological basis in which the gene is regarded not as a structural entity but as a point of steric change in a chromosome. Much work was done on the influence of colchicine, acenaphthene, bombardment with fast neutrons, etc., in inducing chromosome change and cytogenetic novelty, and evidence suggested that euploid chromosome alterations may condition series of hereditary variations most of which are directed. Explanations in purely physical terms of the mechanics of mitotic cell-division were more convincing. There was considerable discussion on the species concept, especially at the 150th Anniversary Celebrations of the Linnean Society of London. Although there is no universally recognised definition of species, it seems clear that differences between species depend on differences in genes located in the chromosomes, and that in the natural evolution of species geographical and ecological isolation have played a basic rôle. Recent developments raised again to primary place the problem of the mechanism of evolution and its recognition as an experimental problem. Books included Stubbe's "Genmutation," Geitler's "Chromosomenbau," Mather's "Measurement of Linkage in Heredity," Ludwig's "Faktorenkoppelung und Faktorenaustausch," Correns' "Nicht mendelnde Vererbung," Zimmerman's "Vererbung 'erworbener Eigenschaften' und Auslese," Lebedeff *et al.*, "Methoden der Vererbungsforschung," Akerman *et al.*, "Swedish Contributions to the Development of Plant Breeding," various parts of Roemer and Rudolf's "Handbuch der Pflanzenzüchtung," the U.S.A. "Yearbook of Agriculture, 1937" (completing the treatise on "Better Germplasm"), Buchanan Smith *et al.*, "Genetics of the Pig," Roemer *et al.*, "Die Züchtung resistenter Rassen der Kulturpflanzen," Eskelund's "Structural Variations of the Human Iris and their Heredity," Penrose's "Clinical and Genetic Study of 1280 Cases of Mental Defect," Kallmann's "The Genetics of Schizophrenia," Schulte's "Erfelijkheid en eugenetiek I," Reinig's "Elimination und Selektion," de Beer (Edit.) "Evolution," Ford's "Study of Heredity," and Szabo's "Heredity."

*Zoology*.—As the greater part of zoology is purely descriptive it is possible to do little more than record important publications. The great German treatises were continued and many valuable reports were published of oceanographic and land expeditions. A previously unknown fauna was discovered in the fissure deposits of the Shan plateau in S.E. Asia, and the finding and study of numerous Cambrian and pre-Cambrian fossils in Siberia lend support to the view that ancient Asia may be the cradle of life on the earth, as it seems to be of the higher forms of animal



life including man. An important memoir by Kusnezov on "The Arctic Fauna of Eurasia and its Origin" indicated the need for drastic revision of the conception of rigidly defined zoogeographical regions in the light of modern ecology and geology. General, ecological and physiological books included Colbert's "Fossil Mammals from Burma," Allen's "Mammals of China and Mongolia," Dixon's "Birds and Mammals of Mt. McKinley National Park," Howell's "North American Ground Squirrels," Bodenheimer's "Problems of Animal Ecology," Berger and Schmidt's "Die Tiere der Steppen, Wüsten und Gebirge," Aufrère *et al.*, "La vie dans la région désertique Nord-tropicale de l'ancien monde," Pearse *et al.*, "Fauna of the Caves of Yucatan," Mellanby's "Animal Life in Fresh Water," McCrady's "Embryology of the Opossum," Cunningham's "Axial Bifurcation in Serpents," Portier's "Physiologie des animaux marins," Ritzman and Benedict's "Nutritional Physiology of the Adult Ruminant," Benedict and Lee's "Hibernation and Marmot Physiology," Skinner's "Behaviour of Organisms" and Allee's "Social Life of Animals."

Books on birds included Bond's "History of Sussex Birds," Ware's "Report of the Little Owl Food Inquiry," Ticehurst's "Systematic Review of the Genus *Phylloscopus*," Darling's "Bird Flocks and the Breeding Cycle," Bent's "Falconiformes and Strigiformes," Niethammer's "Handbuch der deutschen Vogelkunde I," Witherby *et al.*, "Handbook of British Birds," Jackson's "Birds of Kenya and Uganda," Cayleys' "Australian Parrots," Wilder and Hubbard's "Birds of N.E. China," Chong's "Birds of Nanking," Hwang Shaw's "Birds of Hopei Province," Dickey and Rossem's "Birds of El Salvador," Hoffmann's "Birds of the Pacific States," Oberholser's "Bird Life of Louisiana," and Taverner's "Birds of Canada."

Important memoirs on fish were Smith's "Anatomy of the Frilled Shark," White's "Interrelationships of the Elasmobranchs," Leiner's "Die Physiologie der Fischatmung," and Pryce-Tannatt's "Fish Passes." In fisheries research valuable work was done on the cod, halibut, plaice, herring, pilchard, sprat, salmon, and trout. There was recognition of long period fluctuations affecting many species simultaneously over a wide area, due to some widespread change in hydrographic factors. Research in the U.S.S.R. led to extension of fisheries to new areas in the Polar regions and to an improved salting method by brine injection. Other important developments were the use of aeroplanes in fisheries research; and the control of starfish in oyster beds by calcium oxide.

Entomological work included Frohawk's "Varieties of British Butterflies," Brimley's "Insects of N. Carolina," Marshall's "British Mosquitoes," Evans and Allen's "Ethiopian Anophelini II," Séguéy's "La vie des mouches et des moustiques," Parent's "Diptères dolichopodidæ," Stone's "Tabaninæ of the Nearctic Region," and Mani's "Chalcidoidea." In economic entomology it was recognised that agricultural development furthers the multiplication and spread of many locusts and grasshoppers, but that the phenomenon of phase transformation is a sound basis for prophylactic policy. It was discovered that bedbugs may be controlled by heavy naphtha; and important work was done on the standardisation of

insecticides. Books included Keen's "Insect Enemies of the W. Forests of the U.S.A.," Quayle's "Insects of Citrus and other Subtropical Fruits," and Stempell's "Die tierischen Parasiten des Menschen." Interesting work was done on association between nematodes and insects, and on the culture *in vitro* of parasitic nematodes.

Research on molluscs of the Sub-Arctic region showed them to belong to archaic groups which in former times were predominant over the whole world. Important memoirs were Eales' "Systematic and Anatomical Account of the Opisthobranchia," and Bernard's "Morphogenesis of the Compound Eyes of Arthropods"; books included Matthias' "Phyllopoda," Klie's "Muschelkrebse," Dautzenberg's "Conidæ," Wenz' "Gastropoda," Torre and Bartsch's "Chondropominae," Cotton and Godfrey's "Pelecypoda," and Clark's "Echinoderms from Australia." Other important works were Fraser's "Hydroids of the Pacific Coast of Canada and the U.S.A." Meixner's "Turbellaria," and Arndt's "Schwämme."

*General Physiology.*—Interesting work was done on "brain waves" in relation to emotional states and mental disease; on the harmful physiological and mental effects of noise; and on the shock treatment of schizophrenia. Books included Berry's "Cerebral Atlas," Fulton's "Physiology of the Nervous System," Barcroft's "The Brain and its Environment," Davidoff's "The Normal Encephalogram," Page's "Chemistry of the Brain," Courville's "Pathology of the Central Nervous System," Vazifdar's "Physiology of the Central Nervous System and Special Senses," McGregor's "The Emotional Factor in Visceral Disease," Rea's "Neuro-Ophthalmology," Harrington's "A Biological Approach to the Problem of Abnormal Behaviour," Murray *et al.*, "In Search of Personality," and Brown's "Psychological Methods of Healing."

Knowledge advanced in that wide field which includes vitamins, hormones, carcinogens, and organisers, and the arbitrary nature of any rigid classification of naturally occurring substances as vitamins, hormones, etc., became increasingly evident. Much progress was made in the identification of the chemical structure of these substances and many vitamins and hormones are now commercially available in pure crystalline form. Interesting use was made of the spectroscope in determining the nature of vitamins. In the vitamin B complex the factors generally accepted were B1 (aneurin or thiamine), lactoflavin (riboflavin), B6 (rat anti-dermatitis factor), and nicotinic acid (anti-pellagra factor); whilst others accepted by many workers were B3, B4, B5, the liver-filtrate factor (chick anti-dermatitis factor), and Macrae's yeast-filtrate and yeast eluate factors. A new international standard of B1 was adopted, and B6 was isolated in pure crystalline form. Vitamin E (*α*-tocopherol) was synthesised and was used successfully in the treatment of habitual abortion; and vitamin K gave encouraging results in the treatment of obstructive jaundice. Vitamin L (a lactation factor) was discovered.

The nature of the hormonal stimulus has been intensively studied but a welcome beginning was made of the way in which the tissues receive the stimuli and differentiate between them. It is now clear that a close relationship and balance is maintained between the different endocrine

glands, and that a large overdose of one hormone may upset the balance and alter the rate of hormone production in other glands. An interesting discovery was the increased efficacy of many glandular hormones when combined with phosgene. A new hormone "the specific metabolic principle" was isolated from the middle part of the pituitary gland. Much work was done on the sex hormones and in "The Chemistry of the Sex Hormones" (*Tabulæ Biologicæ*), 128 compounds are listed as "Male sex hormones and their derivatives," 69 as "Substances with oestrogenic activities" and 46 as "Corpus luteum hormone and its derivatives." All the sex hormones contain the ring skeleton of the sterols and fall into three classes, the oestrone group, the androsterone-testosterone group, and the progesterone group. Synthetic closely related substances are known having similar biological activity to hormones of all three groups. Structural differences between all three classes are small and multiple activity is common in the sex hormone group. In contrast with the sex hormones a high degree of structural specificity seems to be a feature of many vitamins. Interesting work was done on the production of feminized males and intersexed rats by antenatal administration of oestrogens. Work on morphogenetic hormones confirmed the dependence of normal morphogenesis on normal embryonic metabolism.

There is some structural resemblance between many carcinogenic substances and members of the sterol-sex-hormone group. Carcinogenic power, though not dependent upon a specific chemical structure, may be determined by a particular kind of chemical reactivity shared by compounds of dissimilar structure. We are still ignorant of the mode of action of carcinogenic agents, whether chemicals or viruses, but it is now clear that a malignant neoplasm is the resultant of a number of factors which are themselves variable according to the nature and site of the growth. Work on carcinogenic substances is opposed to the virus theory but the two fields may converge if viruses should prove to be a peculiar form of cell product. Interesting work was done on the growth inhibiting action of carcinogenic compounds; on heterologous transplantation of human and other mammalian tumours; on the importance of genetic factors; on the polarographic diagnosis of cancer; and on chemotherapy of cancer.

Books in the above field included Harris' "Vitamins and Vitamin Deficiencies I," Williams and Spies' "Vitamin B1 and its Use in Medicine," Sivadjian's "La Chimie des Vitamines et des Hormones," Ruzicka and Stepp's "Ergebnisse der Vitamin-und Hormonforschung I," the Sigma Xi "Symposium on Hormones," Timme *et al.*, "The Pituitary Gland," Elmer's "Iodine Metabolism and Thyroid Function," Walker's "The Primate Thalamus," Le Gros Clark *et al.*, "The Hypothalamus," Broster *et al.*, "The Adrenal Cortex and Intersexuality," Jensen's "Insulin," Carnot *et al.*, "Les Régulations Hormonales en Biologie, en Clinique et en Thérapeutique," the Canadian Medical Association's "Handbook on Cancer," Waterman's "Diet and Cancer," Clemmesen's "Influence of X-Radiation on the Development of Immunity to Heterologous Transplantation of Tumours," Spemann's "Embryonic

Development and Induction," and Dalcq's "Form and Causality in Early Development."

New light was thrown on phosphorus and sulphur metabolism by introducing into the body unusual isotopes to serve as physiological markers, a novel technique which should prove valuable in research.

The theory of the fibrous nature of protoplasm received support, and work on the crystalline nature of living material tended to reduce organic structures and functions to electromagnetic fields. X-ray analysis advanced knowledge of the crystal structure of the proteins although caution is necessary in the interpretation of the results. The serum proteins of mammals, birds, reptiles, amphibians, and fishes are much alike as regards molecular weight but differ from those present in the lampreys. In "The Origin of Life" Oparin formulated an interesting theory of gradual colloidal origin and development. Books included Frey-Wyssling's "Submikroskopische Morphologie des Protoplasmas und seiner Derivate," Lepeschkin's "Kolloidchemie des Protoplasmas," and Schmidt *et al.*, "Chemistry of the Amino Acids and Proteins."

Nutritional research confirmed the view that there is no scientific argument against pasteurization of milk and every reason to believe that compulsory pasteurization under proper supervision would lead to the practical elimination of milk-borne disease. Evidence also supported the view that there is relatively little loss of known constituents in foods stored by modern methods, and that satisfactory nutrition can be maintained on diets composed solely of stored foods.

Books indicating various other lines of progress included Ries' "Grundriss der Histophysiologie," Tschelnitz' "Strahlen um Uns," Parker's "Methods of Tissue Culture," Carrel and Lindbergh's "Culture of Organs," Dill's "Life, Heat and Altitude," Henderson's "Adventures in Respiration," Clark *et al.*, "Metabolism of the Frog's Heart," Benedict and Lee's "Lipogenesis in the Animal Body," Benedict's "Vital Energetics," Sobotka's "Physiological Chemistry of the Bile," McDowall's "The Control of the Circulation of the Blood," Downey *et al.*, "Handbook of Hæmatology," Franklin's "Monograph on Veins," Madaus' "Lehrbuch der Biologische Heilmittel," Donnison's "Civilization and Disease," Nicholl's "Tropical Nutrition and Dietetics," Winton's "Structure and Composition of Foods III," Hopkins' "Bioclimatics," Mainland's "The Treatment of Clinical and Laboratory Data," Rashevsky's "Mathematical Biophysics," and Fisher and Yates' "Statistical Tables for Biological, Agricultural, and Medical Research."

*Botany.*—The year's work in the more descriptive fields of botany can only be exemplified by recording the more important publications. General and systematic volumes included Bower's "Sixty Years of Botany in Britain," The Ray Society's "Critica Botanica" of Linnæus, Veendorp and Becking's "Hortus Academicus Lugduno Batavus," Lecomte's "Flore générale de l'Indo-Chine," The "Index Kewensis, Suppl. 9," Merrill and Walker's "Bibliography of E. Asiatic Botany," Engler's "Das Pflanzenreich IV," Standley's "Flora of Costa Rica," Diels' "Vegetation und Flora von Ecuador," Seidenfaden and Sorensen's "Vascular Plants of

N.E. Greenland," Yuncker's "Flora of Honduras," Alston's "The Kandy Flora," Kanjilal *et al.*, "Flora of Assam II," Kunkel Small's "Manual of the S.E. Flora of the U.S.A.," Killip's "American Species of Passifloraceæ," McKelvey's "Yuccas of the S.W. United States," Babcock and Stebbing's "Youngia," Müller's "*Abies grandis* und ihr Klimarassen," Grey's "Hardy Bulbs II and III," Schellenberg's "Connaraceæ," Fröderström's "Sedum," Priestley and Scott's "Introduction to Botany," and Smith's "Cryptogamic Botany." Ecological books included Adamson's "Vegetation of S. Africa," Christiansen's "Pflanzenkunde von Schleswig-Holstein," Scharfetter's "Das Pflanzenleben der Ostalpen," Bocher's "Biological Distributional Types in the Flora of Greenland," Dersal's "Native Woody Plants of the U.S.A.," and Raup's "Botanical Studies in the Black Rock Forest." Morphological books included Harris' "British Rhætic Flora," Sahni's "Recent Advances in Indian Palæobotany," Ogura's "Anatomie der Vegetationsorgane der Pteridophyten," Verdoorn (Edit.) "Manual of Pteridology," Pulle's "Compendium van de Terminologie, Nomenclatuur en Systematic der Zaadplanten," Wildeman's "Intersexualité, unisexualité chez quelques Phanérogames," and Schussnig's "Vergleichende Morphologie der niederen Pflanze I."

There was advance in knowledge of the plant cell, the wall of which seems to be made up of concentric layers of fibrils, composed of microfibrils, which consist of aggregates of micelles, which are aggregates of cellulose chain-molecules. The cotton fibre consists of microscopically visible spheroid particles of cellulose cemented together by pectin-like substances. Starch seems to be not one compound but a kind of polymeric series, and the ultracentrifuge showed the presence in plant juices of carbohydrates of well-defined molecular weight. Much attention was paid to the chemical constituents of plants and especially to plant pigments, with recognition of the overwhelming predominance of pigments based on pelargonidin, cyanidin, and delphinidin, and methyl esters of the last two. Work on root culture *in vitro* showed that root pressure is probably a primary factor in the rise of sap, and that the green top supplies aneurin to the roots. Some fifty compounds from synthetic and other sources are now known to have growth-promoting properties, but the hormonal control of plant functioning appears to be far less specialised than in animals. In addition to their direct horticultural value in root and shoot induction, phytohormones when mixed with seed disinfecting liquids and dusts gave promise of speeding up the development of cereal and other agricultural plants. Interesting use was made of fungi in the biological determination of hormones and vitamins. In storage physiology knowledge advanced of the influence upon one another of fruits of differing degrees of maturity, and of the development, stability and measurement of their vitamin content. The process of preservation of delicate fruits by quick freezing in sugar solutions was commercialized. Among other lines of progress were the vernalization of excised embryos of cereals, and other problems of phasic development in plants; plant injection for diagnostic and curative purposes; research on deficiency diseases, especially boron and copper; the practical extension of hydroponics,

especially in the U.S.A.; and the control of soil erosion and of weeds.

Books included Seifriz' "Physiology of Plants," André's "Die Polarität der Pflanze," Griswold and Rogers' "Chemistry of Plant Constituents," Strain's "Leaf Xanthophylls," Kains and McQuesten's "Propagation of Plants," Lloyd Hind's "Brewing," Nicol's "Plant Growth-Substances," "Études et Recherches sur les Phytohormones" (Institut International de Co-opération Intellectuelle), Giroud's "L'acide ascorbique dans la cellule et les tissus," Molisch's "Der Einfluss einer Pflanze auf die Andere, Allelopathie," Wardlaw's "Storage and Transport of Tropical Fruits and Vegetables," Ellis and Swaney's "Soilless Growth of Plants," "Bibliography of Soil Science, 1934-37" (Imperial Bureau of Soil Science), Johnson's "The Wasted Land," Reifenberg's "The Soils of Palestine," Sigmond's "Principles of Soil Science," and Kubiëna's "Micropedology."

Books on economic and agricultural botany and forestry included Gram *et al.*, "Nytteplanter," Tobler's "Deutsche Faserpflanzen und Pflanzenfasern," Nodari *et al.*, "Nuovi orizzonti agricoli della Libia," Marton's "Le caféier," McDonald (Edit.) "Coffee in Kenya," Sinay's "Le coton," Patel's "The Coconut," Hedrick's "Vegetables of New York I," Klapp's "Wiesen und Weiden," several volumes of "The Flora of Cultivated Plants of the U.S.S.R.," Hayward's "Structure of Economic Plants," Hector's "Botany of Field Crops," Mercer's "Farm and Garden Seeds," Du Puy's "The Nation's Forests," Eliot and McLean's "Forest Trees of the Pacific Coast," Emberger's "Les arbres du Maroc," Heske's "German Forestry," MacDougall's "Tree Growth," Desch's "Timber," Bateson's "Timber Drying and the Behaviour of Seasoned Timber in Use," and Hunt and Garratt's "Wood Preservation."

In algology a saprophytic alga was recorded, and important work was done on the physiology of the phytoplankton of fresh waters. Books included Taylor's "Marine Algæ of the N.E. Coast of N. America," Tiffany's "Algæ, the Grass of Many Waters," Gemeinhardt's "Oedogoniales," Pascher's "Heterkonten," Czurda's "Conjugatæ," Huber-Pestalozzi's "Das Phytoplankton des Süsswassers I," and Grøntved and Seidenfaden's "Phytoplankton of the Waters West of Greenland."

In mycology and plant pathology much attention was directed to the evolution of new types of fungi by hybridisation and possibly by mutation; to the mycotrophic habit which was found in many new plants; to fungal allergy; to fungal decay of wood and timber; and to laboratory testing and standardisation of fungicides. Competition by the soil microflora was shown to be a limiting factor in the incidence and spread of certain root-rotting fungi. In the biological fixation of nitrogen by root nodule bacteria the formation of aspartic acid via the oxime of oxalacetic acid was confirmed. Books included Lyngé's "Lichens from the W. and N. Coasts of Spitsbergen," Oksner's "Lichens of the Ukraine," Natrass' "Cypress Fungi," Mendoza's "Philippine Mushrooms," Imai's "Agaricacæ of Hokkaido," Keissler's "Pyrenulacæ, etc.," Kirschstein's "Ascomycetes," Ciferri's "Ustilaginales," Liro's "Die Ustilagineen Finnlands II," Couch's "Septobasidium," Pidoplichka's "Fungi Injurius

to Cultivated Plants," Martin's "Sugar Cane Diseases in Hawaii," Doyer's "Manual for the Determination of Seed-borne Diseases," Boyce's "Forest Pathology," Smith's "Industrial Mycology," and Virtanen's "Cattle Fodder and Human Nutrition."

*Microbiology and Disease.*—New Russian methods of epidemiography applied to cholera threw light on epidemiology. Work on pyridines, cyclic diazines, and arsenicals advanced knowledge of chemotherapy. Serum treatment of many microbic diseases was replaced by sulphanilamide treatment, which was also applied successfully to virus diseases of animals; and interesting results were obtained with synthetic vaccines, and in the chemotherapy of pneumonia. Promising work was done on sterilization by ultra-sound waves, and by oxygen under pressure; and on the biological filtration of industrial liquid wastes. Animal viruses were still regarded as ultramicroscopic organisms, possibly in various stages of degradation from bacteria due to their parasitic habit, but further plant viruses were resolved into crystalline nucleo-proteins and the virus of bushy stunt of tomato was obtained in a fully crystalline state. The possibility is indicated that certain plant viruses, at least, may be a new type of autocatalytic protein whose self-reproducing molecules are characterised by nucleic acid synthesis. Widespread use was made of the chick embryo in the cultivation of viruses; X-rays and ultra-violet radiation were found to inactivate certain plant viruses; the application of new techniques rendered possible the separation of a plurality of types and new variants of many animal and plant viruses; and improvements in electron microscopy rendered visible many viruses previously unseen. Promising results were obtained in the vaccination of cattle against foot-and-mouth disease, and in immunizing plants against viruses. Other interesting discoveries were that certain potato viruses may spread in nature by leaf rubbing; that man is susceptible to equine encephalomyelitis; and that jungle mosquitoes are vectors of yellow fever virus.

Books included Sharp's "Microbiology and Public Health," the Medical Research Council's "Epidemics in Schools" and "The Study of Influenza," Hegner *et al.*, "Parasitology," Gill's "Seasonal Periodicity of Malaria and the Mechanism of the Epidemic Wave," Swellengrebel and Buck's "Malaria in the Netherlands," Cope's "Actinomycosis," Bulloch's "History of Bacteriology," Chambers' "Conquest of Cholera," White *et al.*, "The Biology of Pneumococcus," Reimann's "The Pneumonias," Bardswell's "Tuberculosis in Cyprus," Mellon *et al.*, "Sulfanilamide Therapy of Bacterial Infections," Laidlaw's "Virus Diseases and Viruses," Seiffert's "Virus und Viruskrankeheiten bei Menschen, Tieren und Pflanzen," and Burnet *et al.*, "Immunological Reactions of the Filterable Viruses."

*General.*—The growing suppression of intellectual freedom, of objective investigation and of impartial teaching, the exacerbation of racist doctrines, and the prostitution of scientific knowledge to destructive purposes and to the pursuit of retrograde economic and social policies were recognised as undermining the whole civilised edifice and rendering impossible the continuity of scientific work. Scientific research has loyalty only to

truth, and the suppression of independent thought and of its free expression is a major crime not only against civilisation but against humanity itself. As Conklin said, "The ethics of science includes everything that concerns human welfare and social relations; it includes eugenics and all possible means of improving human heredity through the discovery and application of the principles of genetics; it is concerned with the best means of attaining and maintaining an optimum population; it includes all those agencies such as experimental biology and medicine, endocrinal, nutrition and child study, which promise to improve bodies and minds. It includes the many scientific aspects of economics, politics, and government; it is concerned especially with education of a kind that establishes habits of rational thinking, generous feeling and courageous doing." The relations of science to society need wide ranging and intensive examination, with recognition throughout that study of the impacts of science on social relations requires not only a knowledge of science, but also of social relations. An important development both in America and Britain was the formation of bodies for the study of the social and international relations of science. Books included Bernal's "The Social Function of Science," Hogben's "Science for the Citizen," Robert's "Bio-Politics," Monsarrat's "Human Powers and Their Relations," Prenant's "Biology and Marxism," Haldane's "The Marxist Philosophy and the Sciences," and "Heredity and Politics," Hjort's "Human Value of Biology," Schreider's "Biologie du travail et biotypologie," Hooton's "Apes, Men, and Morons," and Yahuda's "Bio-Economics."

Population problems received much study, and fairly conclusive evidence was adduced of a significant inverse relationship between family size and intelligence. Books included Hogben (Edit.) "Political Arithmetic," McCleary's "Population: To-day's Question," Marshall *et al.*, "The Population Problem," Pearl's "The Natural History of Population," The U.S.A. National Resources Committee's "Problems of a Changing Population," Carr-Saunders and Jones' "Survey of the Social Structure of England and Wales," Landtman's "The Origin of the Inequality of the Social Classes," Titmuss' "Poverty and Population," Huntington's "Season of Birth," and Holmes' "The Negro's Struggle for Survival."

In general health problems, although a certain amount of attention was devoted to physical exercise, it remained quite clear that social condition is the major factor in the health of the population. Inadequate feeding in quantity and quality of food is responsible for a vast amount of devitalization, ill-health and definite disease, and this condition bears definite relation to poverty. If our present knowledge of nutrition were applied much disease and misery would vanish, and it is clear that there is urgent need for a national food policy based on present nutritional knowledge. Books included Bacharach's "Science and Nutrition," Williamson and Pearse's "Biologists in Search of Material," Le Gros Clark's "National Fitness," Cruickshank's "Food and Physical Fitness," Crawford and Broadley's "The People's Food," Maberley's "The Health of the Nation and Deficiency Diseases," the League of Nations' "Survey of National Nutrition Policies, 1937-38," Wrench's "The Wheel of Health,"



Marsh *et al.*, "Health and Unemployment," and Mukerjee's "Food Planning for Four Hundred Millions."

There was general recognition of the need for scientific and long-term planning in agriculture, with clear realisation that the soil is the world's most valuable natural resource, and that in formulating agricultural policy the rights of the land must be placed first. Books included the P.E.P. "Report on Agricultural Research in Great Britain," Astor and Rowntree's "British Agriculture," The U.S.A. Department of Agriculture's "Bibliography on the Management of Western Ranges," Ganguli's "Trends of Agriculture and Population in the Ganges Valley," Bowman (Edit.) "Limits of Land Settlement," Buck's "Land Utilization in China," and Worthington's "Science in Africa."

Finally may be recorded the great work Russian scientists are doing in the biological exploration and development of northern regions.

#### THE PHYSICAL SCIENCES.

The most interesting development in the physical sciences was the rapid accumulation of evidence for the existence of the heavy electron. Indications of the presence, in cosmic rays, of particles carrying unit charge with a mass about fifty times that of the electron were obtained in 1937 (ANNUAL REGISTER, Part II, p. 355), but as early as 1935 Yukawa (*Proc. Phys. Math. Soc.*, Japan) had suggested that such particles would furnish a possible explanation of short range nuclear forces. Month by month in 1938 papers appeared describing effects due to the particles, the most striking being one by Auger, Maze, and Grivet-Meyer (*Comptes Rendus*) reporting the probable presence of heavy electrons in cosmic ray showers covering an area as large as 1,000 square metres. The problem was discussed at a meeting of the Royal Society on May 26, and among numerous theoretical papers dealing with the particles were those by Frohlich, Heitler, and Kemmer, by Heitler and by Bhabha (all *Roy. Soc. Proc.*), and by Euler and Heisenberg (*Naturwiss*).

Blackett gave a detailed account of the properties and effects of the particles in an address to the British Association in August (*Nature*, Oct. 15). They are produced in the atmosphere, in some manner as yet unknown, as secondaries to incident cosmic electrons. They carry charges of either sign, have a mass about 200 times that of the electron, unit spin, and probably disintegrate spontaneously into an electron and a neutrino. Their mean rest life period is about a millionth of a second. Bhabha (*loc. cit.*) suggested that the proton and the neutron are two states of the same particle passing from one state to the other by the emission of a heavy electron.

Many different names were suggested for the new particles, *e.g.*, yukon, U-particle, dynaton, mesotron, and it seemed likely that the latter would be adopted. This word, implying "the intermediate particle," was devised by Anderson and Neddermeyer who considered it uncertain whether the particles have a unique mass or a range of masses between 150 and 250 times that of the electron.

The structure of the atomic nucleus continued the subject of much research and speculation. In Bohr's opinion it is not possible to treat individual particles inside the nucleus as is customary with the electrons outside. Inside the various particles are packed very closely so that, when the nucleus is struck by a fast particle, the energy is rapidly shared by them all, increasing the nuclear "temperature" and leaving the nucleus in an excited state until sufficient energy is concentrated in a single particle to allow it to escape. Bohr likened the behaviour of the nucleus to that of a drop of liquid, the excited states being compared with the oscillations in the shape of the drop under the constraints imposed by its elasticity and surface tension. The theory indicates that resonance phenomena will occur when the sum of the energies of the nucleus before impact and of the exciting particle is equal to that of one of the possible modes of vibration (stationary states) of the nucleus formed by their union. Weizsacker gave concise details of a number of nuclear models in *Naturwiss* (April 8 and 15), and an excellent account of discussion of the subject at the meeting of the British Association was given in *Nature* (Sept. 17).

Experiments by Frisch, von Halban, and Koch (*Phys. Rev.*) showed that the neutron possesses a magnetic moment of the sign and order of magnitude deduced theoretically from experimental values of the mechanical and magnetic moments of the proton and deuteron by assigning to it a spin quantum number of  $\frac{1}{2}$  (cf. ANNUAL REGISTER, 1937, Part II, p. 354). An explanation of the origin of this moment based on the existence of the mesotron was given by Fröhlich, Heitler, and Kemmer (*Roy. Soc. Proc.*). Their calculations and those of Wentzel (*Naturwiss.*) indicate, in a very tentative fashion, the possible existence of a neutral particle of the same mass as the mesotron. Stetter and Jentschke (*Zeits. f. Physik*) obtained the value  $1.00895 \pm 0.00003$  for the mass of the neutron. A detailed account of the production and properties of neutrons was given by Feather (*Science Progress*, Oct.).

No certain proof of the existence of the neutrino was obtained, and Solomon (*Comptes Rendus*) considered that the principle of the conservation of energy in beta-ray disintegration could be satisfied without its introduction. However, Crane and Halpern (*Phys. Rev.*) considered that their observations on the recoil of the radiochlorine nucleus in beta-ray disintegration indicate that the particle does exist and Hebb (*Physica*) concluded that their method is valid. Pryce (*Roy. Soc. Proc.*) gave a detailed account of the neutrino theory of light, and claimed that the mathematical conditions necessary for a satisfactory theory could not be satisfied simultaneously.

Dirac (*Roy. Soc. Proc.*) endeavoured to formulate, within the framework of classical theory, a self-consistent set of equations to represent experimental results relating to the interaction of electrons and radiation. In the interpretation of his results the interior of the electron emerged as a region within which signals could travel with a velocity exceeding that of light. Flint (*Phys. Soc. Proc.*) suggested that the idea that dimensions less than the radius of the electron are not observable ought to be included in a geometrical description in physics, and that this

magnitude ( $e^2/m_0c^2$ ) must be regarded as the limit of the application of present physical theory. The corresponding minimum time interval is  $e^2/m_0c^3$ .

Several new determinations of the ratio of the charge to the rest mass of the electron were made. Shaw (*Phys. Rev.*) using a method of crossed electric and magnetic fields which eliminates the effect of the electron energy, obtained the value  $(1.7571 \pm 0.0013) \times 10^{-7}$  e.m.u. per gm. R. C. Williams (*Phys. Rev.*) obtained  $(1.7579 \pm 0.0004) \times 10^{-7}$  by a spectroscopic method, and Bearden (*Phys. Rev.*)  $(1.7601 \pm 0.0003) \times 10^{-7}$  from the refraction of X-rays by a diamond prism.

Considerable attention was given to the construction of high voltage generators for accelerating particles for bombardment experiments, e.g., for the production of neutrons by proton bombardment and for the production of artificial radio elements for medical purposes. Descriptions of installations erected or in course of erection were given by Grimmett (*Nature*, Feb. 19), Kaye (*Nature*, March 19), Chadwick (*Nature*, Oct. 8).

The remarkable properties of liquid helium II (the form which the liquid assumes below  $2.186^\circ$  K.) attracted a good deal of attention. Keesom, Keesom and Saris (*Leiden Comm.*) found its thermal conductivity at  $2.0^\circ$  K. to be more than 800 times that of copper at room temperature. Shire and Allen (*Camb. Phil. Soc. Proc.*) obtained very much smaller values at  $0.3^\circ$  K. Kapitza and also Allan and Misener (*Nature*, Jan. 8) found the viscosity to be extremely small—only a ten-thousandth of that of gaseous hydrogen—and it was suggested that the ease with which convection currents could be set up in such a mobile fluid might account for the high values obtained for the thermal conductivity. Later experiments, e.g., by Keesom and Macwood (*Physica*), gave results for the viscosity of both forms of liquid helium some thousand times greater than this. All the results may possibly be invalidated by the discovery that the surface of a solid in contact with helium II becomes covered by a thin film of the liquid which travels through the film to the lowest available level (e.g., Daunt and Mendelssohn, *Nature*, May 21).

Keesom and Taconis (*Physica*) found a close-packed hexagonal structure for solid helium at  $1.45^\circ$  K. and 38 atmospheres pressure. This work was remarkable since the whole of the camera employed had to be kept below  $1.7^\circ$  K. during the experiment. Giaque, Stout, and Clark (*J. Amer. Chem. Soc.*) used the electrical resistance of amorphous carbon to measure temperatures below  $1^\circ$  K. (See also Giaque and MacDougall, *loc. cit.*) De Haas, Casimir and van den Berg found that the resistance of gold increases rapidly below  $1^\circ$  K. and might even become infinite at  $0^\circ$  K.

Two new satellites of the planet Jupiter (JX and JXI) were discovered by S. B. Nicholson using the 100-inch reflector at Pasadena. Jackson (*R.A.S. Occasional Notes*) was unable to find an orbit for JXI but for JX found two—depending on whether the orbit is direct or retrograde. In either case the eccentricity is greater than any others (excepting those of the comets) found in the solar system. It is possible that JX is sometimes a satellite and sometimes a minor planet. Neither satellite is more than 10 miles in diameter.

Struve (*Nature*, Jan. 22) reported that the chief component of the eclipsing binary system of  $\epsilon$  Aurigæ is a giant star with a radius some 3,000 times that of the sun. The largest star previously known was Antares with a radius 450 times that of the sun.

Shapley (*Nat. Acad. Sci. Proc.*) analysed the result of a count of spiral nebulae in the south galactic polar cap and concluded that the data at present available indicate that the redwards shift of the lines in the spectra of the nebulae is due to velocity. The cause of this shift is however still uncertain. Arnott (*Nature*) showed that it would be observed if measurements of time intervals by "a planetary or pendulum clock" are not the same as those given by an "atomic clock" but are related in the manner deduced from Milne's cosmological theory. The shift would then depend on the age of the universe which, to fit Hubble's results, would need to be about  $2 \times 10^9$  years, the corresponding radius of the spherical universe being about  $2 \times 10^9$  light-years.

The origin of stellar energy was one of the problems discussed at a Conference on Theoretical Physics held in Washington in March. Possible steps in the building up of heavier elements from hydrogen in the interior of the stars were considered, and it was found that the only hypothesis which seemed tenable was one involving the formation of  ${}^9\text{Be}$  by triple collisions of an alpha particle and two protons (*Nature*, May 28).

In his Norman Lockyer lecture on December 6 Dr. H. Spencer-Jones, the Astronomer-Royal, gave an account of the atmospheres of the planets. Consideration of mean molecular velocity and velocity of escape indicate that Mercury may possess a tenuous atmosphere of heavy gas while the high temperature of the earth in earlier times accounts for the small neon/argon ratio. The presence of free oxygen in the air in our atmosphere must be due to green plants since the continual oxidation of igneous rocks is a serious cause of depletion. It is probable that the atmospheres of Jupiter and Saturn contain large quantities of free hydrogen and helium in addition to ammonia and methane.

A remarkable aurora, visible all over England and as far south as Gibraltar and Sicily, occurred on the night of January 25-26. Descriptions of its appearance in England were given in *Nature* (Jan. 29 and Feb. 5), and in the same journal (May 28) Störmer gave an account of the observations made in Norway. Two reliable observers reported that the display was accompanied by a sound—a matter previously in dispute. This sound probably arose in the atmosphere below the aurora. Large magnetic storms occurred on January 16, 22, and 25, the last causing a range of  $2.1^\circ$  in the declination at Abinger in Surrey—the greatest range recorded in the Greenwich records since September 25, 1909. An unusually large sunspot had been visible for some time previously but it had passed off the sun's disk on January 24.

Appleton and Weekes reported the results of radio-measurements on the effect of the lunar tide in the E level of the upper atmosphere. It was observed that the amplitude of the tide at 110 km. is nearly 6,000 times as great as at ground level. Vassy (*Ann. de Phys.*) considered the variation of the stability of the ozone molecule with temperature and concluded that

there can be no ozone in the air at heights greater than 60 km. Whipple gave an account of modern views of the origin of atmospheric electricity in his presidential address to the Meteorological Society, referring in particular to the work of Simpson and Scrase which suggests that the separation of positive and negative electricity is largely due to snow particles in the upper parts of clouds. Scrase (*Meteor. Office Geophys. Mem.*) gave results of investigations on the quantity of electricity brought down by rain. The data are consistent with the same theory. Petrucci (*Com. Geod. e Geofis. Boll.*) suggested that the electric charge on the earth is due to the photoelectric effect of solar radiation on the lower atmosphere. Wasserfall (*Terr. Mag.*) plotted the diurnal variation of the north magnetic pole from observations obtained by Amundsen at Gjoahavn in 1904. The variation covers an oval 22 km. E.-W. and 14 km. N.-S. The results support the Chapman-Bartels theory that the quiet diurnal variation of the magnetic elements is due to a current system in the ionised part of the atmosphere. Paranjpe (*Roy. Meteor. Soc. J.*) reviewed the determinations of the solar constant obtained by the Astrophysical Observatory of the Smithsonian Institute during the last thirty years and concluded that the variations which have been observed may be due, in large part, to the experimental methods employed.

A survey of the results of the observations taken at the station set up by the Soviet Government on an ice-floe at the North Pole was published in *Nature*, April 9. Soundings showed that under a thin surface layer of cold water the temperature near the Pole rises above 0° C. An account of the observations taken during the record ascent of the balloon Explorer II on November 11, 1935, was given in *Nature*, February 12.

Poulter (*J. of Applied Physics*) described the investigations of the behaviour of materials under very high pressures carried out at the Armour Institute of Technology. Pressures up to 100,000 atmospheres have been produced and glass, quartz or diamond windows set in apparatus built to withstand 30,000 atmospheres.

Crowfoot (*Roy. Soc. Proc.*) gave the results of her X-ray measurements of the crystal structure of insulin, and Wrinch and Langmuir (*Am. Chem. Soc. J.*) pointed out that they agreed in great detail with the structure predicted by the cyclol theory. This theory, originally due to Wrinch, supposes that protein molecules, which have definite molecular weights, are built up from diazine and triazine rings arranged to form a closed "cage," the plane sides being constructed of a lace-work of hexagons (see also *Nature*, Dec. 10). Ingold, in his Bakerian lecture to the Royal Society (June 16) stated that it had been proved beyond doubt that the isolated gaseous benzene molecule has the form of a plane hexagon.

The British Association met at Cambridge from August 17-23 with Lord Rayleigh as President. It was decided to form a Division for Social and International Relations of Science to be worked by a Committee nominated annually by the Council of the Association. Other important meetings during the year were the Tenth International Congress of Chemistry at Rome, May 15-21; the sixth triennial meeting of the International Astronomical Union at Stockholm, August 3-10; the Faraday Society

Conference on Luminescence at Oxford, September 15-17, and the celebration of the fortieth anniversary of the discovery of radium at Paris, November 23-30.

Professor W. L. Bragg, director of the National Physical Laboratory, was appointed to succeed the late Lord Rutherford as head of the Cavendish Laboratory, Cambridge, and Professor C. G. Darwin was appointed director of the National Physical Laboratory after Professor R. H. Fowler had accepted the post and been forced by ill-health to relinquish it.

## FINANCE AND COMMERCE IN 1938.

THE feature of 1938 was, that it marked the turning-point in that phase of economic progress which may be said to have commenced with the suspension of gold payments by Great Britain in 1931. Not only did it mark the turning-point, but it witnessed a serious deterioration in the economic position of nearly every country in the world. Natural development were no doubt responsible for part of the recession in commerce and industry but by far the most important influence was that exerted by the totalitarian States of Central Europe. None played so great a part in this respect as Germany which broke completely the Central European *bloc*, of which France was the centre, mainly because France herself made mistakes of the first importance in both her domestic and foreign policy. As a result the whole of Central Europe witnessed the largest upheaval since the war of 1914-18, the full significance of which has yet to be revealed. Germany absorbed the whole of Austria, and a few months later brought about the complete break-up of Czechoslovakia under the pressure of the Sudeten demand for the right of self-determination. Later, a similar plea sufficed to extract further concessions of territory to the neighbouring States of that unhappy country, whose position was rendered so desperate that the British Government was compelled to grant financial assistance on a considerable scale. Encouraged by these developments, Italy adopted a similar attitude to France in regard to her Mediterranean possessions which however were effectively rejected. In addition, there were further disturbances in North-West India and in Palestine where repeated efforts of conciliation met with little or no success. But so great was the tension felt in regard to the European outlook that it completely overshadowed the deplorable situation which continued in Spain and China, where success of the aggressors was not sufficient to bring appreciably nearer the prospect of peace. For these reasons the international political situation came to dominate every phase of the national life. But these difficulties had one redeeming sequence which was, that it brought the Democratic Powers into closer alignment. In Europe, it made the French realise the precariousness of their own position which was rapidly becoming desperate because of the uneconomic theories of the Blum Government which had regained power on the fall of the Chautemps administration. M. Daladier, with the help of M. Reynaud, eventually obtained sufficient support to establish a more or less stable Government on Radical lines. Despite considerable opposition the new Government succeeded in introducing several essential reforms. One of the first in that direction was to devalue the franc and stabilise it around 179 to the pound sterling. Taxes were increased in an effort to balance the Budget, and labour was compelled to

accept important modifications of its 40-hour week. These, together with other measures, no less important, did much to restore confidence amongst French industrialists who were thus inspired to repatriate their capital on a very substantial scale. As a result French industry recovered some of its former competitive power and the rise in their exports was 50 per cent. larger than the increase in imports. America, too, felt obliged to modify her attitude of indifference to European affairs, firstly by embarking on a considerable extension of her rearmament plans. Secondly, she realised that the trend of international affairs also threatened her interests in the economic sphere. Considerations such as these led to more liberal views in regard to overseas commerce which culminated in November when an Anglo-American Trade Treaty was signed. This was calculated to give substantial benefits to some of the most depressed industries of Britain by adjustments in various duties, freedom from which should do much to restore the volume of trade between the two signatories. Prospects in this direction appeared promising, for at mid-summer trade began to improve. Unfortunately, the improvement was confined to America where the movement was undoubtedly fostered by Government plans to spend huge sums, not only on arms, but on public works and housing. Another factor assisting recovery was the shrinkage in accumulated stocks, a legacy of the sharp rise in prices earlier in 1937. Relief in this respect brought about a stronger technical position but it was not strong enough to maintain the initial rate of recovery. Nevertheless, the demand for raw materials strengthened, and in some cases the rise in prices was sufficient to warrant increased production of a limited number with a beneficial effect on primary producing areas. Thus commodity prices although generally lower, moved much less violently than in 1937, wheat being one of the weakest owing to exceptional crops and the absence of comprehensive control.

One of the first shocks to commerce occurred in March when the demand for economic nationalism led Mexico to expropriate British and American Companies oil properties, valued at 80,000,000*l.* to 100,000,000*l.*, an act which induced both countries to recall their ministers from Mexico. In April the Budget revealed a surplus around 30,000,000*l.* but mainly because of the need for vastly increased expenditure on armaments, additional taxation was necessary. In June success attended the issue of 80,000,000*l.* for National Defence purposes, the loan offered at 98 per cent. carrying interest at 3 per cent. per annum. Until then, the general level of industrial activity was largely fostered by rearmament orders which did much to conceal the depression which had already become acute in certain directions, largely because of the methods adopted by the Totalitarian countries in regard to foreign trade. These methods constituted such a threat to our own that it was officially announced that the Government would not hesitate to adopt novel and unprecedented measures to safeguard our overseas interests. This was followed up by important conferences with some of the Balkan States in an effort to strengthen our economic position in that area. These called for an extension of the Export Guarantees Bill under which 16,000,000*l.* was lent to Turkey. The relative



steadiness of the home trade created the impression that industry had adjusted itself to the change in circumstances, an impression that was supported by the continued expansion in the demand for electric power. This rose from 23,000,000,000 units to 24·3,000,000,000 units, an increase of 6·4 per cent. Moreover, whilst the level of employment was lower, little change occurred in the second half of the year, at the close of which, 12·6 per cent. were unemployed as compared with 10·6 per cent. at the end of 1937. Most of the increase occurred in those industries largely dependent on overseas markets. Textiles accounted for over half the fall of 50,500,000*l.* in exports. It was mainly this which caused industrial production to decline by some 6 per cent., the first reaction for more than five years. The decline in the number of bankruptcies was about the same as in 1937, but owing to the lack of confidence the number of new companies formed were fewer by 111 and their aggregate capital was some 40 per cent. less than in the previous year. On the whole, the profits disclosed made a favourable showing but those which appeared in the later months were less satisfactory in consequence of the fall in values, increased costs of production and additional taxation, the full effect of which has yet to come. Consequently, dividends showed a falling tendency.

*Money Market and Banking.*—Although money rates continued to harden, their average showed but little change in 1938, Bank rate being maintained at 2 per cent. for the seventh year in succession. Nevertheless, bank experience was in many respects in marked contrast with that of more recent years. The recovery in France led to heavy withdrawals of funds sent to this country for safety and, as business on the Stock Exchange was again much reduced, the turnover of the London Bankers' Clearing House fell from 42,686,309,000*l.* to 39,610,229,000*l.*, a decline of 7·2 per cent. on 1937, the first shrinkage since 1932. Deposits also suffered their first reduction for several years and, as a result, the banks' earning assets were appreciably smaller. The first of these is loans which continued to increase until March when they reached 995,209,000*l.* from which there was a more or less steady decline, largely because industrial activity ceased to expand. Nevertheless, the average for the year was appreciably larger than in 1937. Investments which are second only to loans as the most profitable field for the employment of bank funds followed a similar course until the late autumn, when the banks were obliged to increase them in the absence of a satisfactory alternative. As a result they were slightly larger at the close of the year although their average volume was rather smaller than in 1937. But it was the bill portfolio which provided the most spectacular movements. Apprehension as to the Czechoslovakia crisis in August induced a large accumulation of liquid assets which caused bills to rise sharply to 304,700,000*l.* For the same reason, the note circulation of the Bank of England next month reached its highest level of the year of 505,800,000*l.* which was even higher than the peak usually attained at Christmas when the temporary increase in the fiduciary issue was 10,000,000*l.* larger than a year earlier. Earnings of the banks, however, were slightly smaller, partly because of increased expenses and bad debts but dividends were maintained.

## MONEY AND DISCOUNT RATES.

1934	1935	1936	1937	1938
BANK RATE AVERAGE.				
£ s. d. 2 0 0	£ s. d. 2 0 0	£ s. d. 2 0 0	£ s. d. 2 0 0	£ s. d. 2 0 0
DISCOUNT RATE (THREE MONTHS BANK BILLS) AVERAGE.				
0 16 4	0 11 7	0 11 10	0 11 6	0 12 7
BANKS' DEPOSIT RATE AVERAGE.				
0 10 0	0 10 0	0 10 0	0 10 0	0 10 0
SHORT LOAN RATE AVERAGE.				
0 17 1	0 10 0	0 10 0	0 10 0	0 10 0
TREASURY BILL (TENDER) RATE AVERAGE.				
0 14 6·19	0 10 6·44	0 11 6·83	0 11 2	0 12 4

## BANK OF ENGLAND RETURNS.

	End December, 1938.	End December, 1937.	End December, 1936.
	£	£	£
Coin and bullion . . .	327,201,575	327,233,343	314,212,259
Note circulation . . .	504,726,803	505,317,131	467,406,210
Public deposits . . .	15,937,522	11,384,185	12,134,969
Other deposits :—			
Bankers' . . .	101,027,025	120,640,908	150,580,188
Other accounts . . .	36,754,756	36,566,801	39,191,159
Reserve (notes and coin) .	52,474,772	41,916,212	46,806,049
Ratio . . .	34½ per cent.	24½ per cent.	23½ per cent.
Government securities . .	69,216,164	114,598,165	134,480,883
Other securities :—			
Discounts and advances .	28,538,950	9,205,417	17,467,197
Securities . . .	21,455,849	20,866,663	21,156,924

## LONDON BANKERS' CLEARING HOUSE RETURNS.

	1938.	1937.	Decrease in 1938.
	£	£	£
Grand total . . .	39,610,229,000	42,686,309,000	3,076,080,000 (7·2 per cent.)
Town clearing . . .	33,862,122,000	36,719,471,000	2,857,349,000 (7·7 per cent.)
Metropolitan clearing . .	2,075,514,000	2,161,700,000	86,186,000 (3·9 per cent.)
Country cheque clearing .	3,672,593,000	3,805,138,000	132,545,000 (3·4 per cent.)

## LONDON CLEARING BANKS' MONTHLY RETURNS.

	(000's omitted.)			
	Deposits.	Bills Discounted.	Advances.	Investments.
1938	£	£	£	£
January . .	2,329,437	331,270	965,459	635,558
February . .	2,279,917	287,878	979,684	632,761
March . . .	2,253,688	238,561	995,209	633,985
April . . .	2,267,965	248,503	993,709	637,690
May . . . .	2,262,686	279,612	981,042	630,562
June . . . .	2,299,367	289,433	980,488	629,597
July . . . .	2,308,962	301,456	980,121	633,073
August . . .	2,298,092	304,725	970,255	641,524
September . .	2,268,874	288,954	969,247	645,760
October . . .	2,255,577	268,239	969,218	645,285
November . .	2,248,614	272,394	961,716	642,168
December . .	2,253,857	250,324	966,253	635,050

## PROVINCIAL CLEARING FIGURES.

Town.	Amount, 1938.	Increase or Decrease 1937.
	£	£ per cent.
Birmingham . . . .	120,941,000	— 14,329,000 or 10·5
Bradford . . . . .	41,065,000	— 10,762,000 or 20·7
Bristol . . . . .	65,284,000	— 1,669,000 or 2·4
Hull . . . . .	43,109,000	— 3,969,000 or 8·4
Leeds . . . . .	49,401,000	— 2,122,000 or 4·1
Leicester . . . . .	36,202,000	— 2,676,000 or 6·8
Liverpool . . . . .	267,800,000	— 86,095,000 or 24·3
Manchester . . . . .	475,599,000	— 90,223,000 or 15·9
Newcastle-on-Tyne . .	78,096,000	+ 541,000 or ·6
Nottingham . . . . .	25,477,000	— 1,028,000 or 3·8
Sheffield . . . . .	55,263,000	— 1,420,000 or 2·5

Floating Debt.	Dec. 31, 1938.	Dec. 31, 1937.
	£	£
Ways and Means Advances :—		
By Bank of England . .	5,250,000	55,750,000
By Public Departments . .	45,805,000	39,435,000
Treasury Bills outstanding . .	985,620,000	889,710,000
Total . . . .	1,036,675,000	984,895,000

*New Capital Issues.*—Owing to the smaller volume of trade the demand for capital was limited, and the lack of confidence in the outlook militated against further enterprise. As a result, there was a further marked shrinkage in the total of new capital issues in spite of the fact that in February the Treasury announced a relaxation of restrictions on the raising of foreign

loans. At 118,098,000*l.* the total of new issues was little more than half the excellent year of 1936. Two-thirds of the total was required by industrial companies, more particularly those associated with coal, iron, engineering and power since these trades were amongst the more prosperous. The chief Government issue was the second instalment of the National Defence Loan amounting to 80,000,000*l.* bearing 3 per cent. interest per annum. Offered at 98 per cent. this stock was among the few to be readily subscribed.

	1938.	1937.	1936.
	£	£	£
United Kingdom . . .	92,746,000	138,768,000	190,808,000
India and Ceylon . . .	458,000	1,634,000	1,090,000
Other British Countries . . .	20,826,000	23,304,000	22,264,000
Foreign Countries . . .	4,067,000	7,200,000	3,060,000
Total . . .	118,097,000	170,906,000	217,222,000
Percentage for Overseas Borrowers	21·4	18·8	12·2

*The Foreign Exchanges.*—During 1938 there was again considerable fluctuations in all the chief currencies of the world, the principal outcome of which was that sterling suffered a depreciation on the year of over 7 per cent. On New York, sterling reached its lowest level since the dollar was devalued in 1933 and it reached the lowest on record in terms of gold. Although sterling had been maintained at an unwarrantably high level for some time its precipitation during the year was mainly due to the Czechoslovakian crisis in September when, for reasons of safety, there was a flight of capital from Britain estimated at 200,000,000*l.* Much the greater part of it went to America whose gold reserves increased by 350,000,000*l.* But some 50,000,000*l.* was repatriated to France where the combined efforts of MM. Daladier and Reynaud restored a measure of stability to internal affairs. One of their first decisions was to devalue the franc to 179 to the pound sterling. This together with a number of reforms revived confidence amongst the industrialists who were thus induced to bring back capital sent out of the country earlier in the year when the franc was below 150. Consequently a considerable capital profit was to be made by repatriation of the money. Meanwhile, heavy purchases on account of rearmament had prejudiced the position of sterling, whilst the rumours circulated at each development in the political situation caused changes in the demand for the leading currencies with bewildering frequency and most European countries lost gold on a considerable scale.

*Gold and Silver.*—Largely in consequence of the anxiety aroused by the course of international politics the bullion market in 1938 was considerably more active than in the preceding year, the turnover being the largest yet experienced. The amount of gold sold in the open market rose from 123,269,000*l.* to 207,674,000*l.* whilst changes in the price were the most spectacular since 1935. From 139*s.* 5*d.* per ounce on January 3

it rose to the record figure of 150s. per ounce on November 26. In the first quarter of the year demand was due to hopes that America would devalue the dollar. Later, it was fear of war and mistrust of currencies of possible belligerents. A further stimulus was devaluation of the franc,

Place.	December 31, 1938.	December 31, 1937.	Highest, 1938.	Lowest, 1938.
New York . . .	4-64 $\frac{3}{8}$	4-99 $\frac{1}{2}$	5-03 $\frac{7}{8}$ (16/2)	4-60 (28/9)
Montreal . . .	4-68 $\frac{5}{8}$	5-00 $\frac{1}{2}$	5-03 $\frac{1}{2}$ (15/6)	4-64 $\frac{1}{2}$ (28/11)
Paris . . .	176 $\frac{1}{2}$	147 $\frac{1}{2}$	180 (28/9)	147 $\frac{3}{4}$ (1/1)
Brussels . . .	27-57	29-46 $\frac{5}{8}$	29-72 (5/5)	26-90 (28/9)
Milan . . .	88 $\frac{1}{2}$	95	95 $\frac{1}{2}$ (16/2)	87 (28/9)
Switzerland . . .	20-60	21-61 $\frac{1}{2}$	21-81 (6/5)	20-34 (25/11)
Athens . . .	547 $\frac{1}{2}$	547 $\frac{1}{2}$	555 (1/1)	540 (1/1)
Helsingfors . . .	226 $\frac{1}{2}$	226 $\frac{1}{2}$	227 $\frac{1}{2}$ (8/6)	225 $\frac{1}{2}$ (1/1)
Madrid . . .	150 Nom.	80 Nom.	200 (21/7)	60 (1/1)
Lisbon . . .	110 $\frac{1}{2}$	110 $\frac{3}{4}$	110 $\frac{1}{2}$ (17/5)	109 $\frac{1}{2}$ (30/9)
Amsterdam . . .	8-53 $\frac{1}{2}$	8-98 $\frac{1}{4}$	9-00 $\frac{1}{2}$ (16/3)	8-49 (28/11)
Berlin † . . .	11-57	12-41 $\frac{1}{2}$	12-45 (5/2)	11-53 (26/11)
Budapest . . .	23 $\frac{1}{2}$	25 $\frac{1}{2}$	25 $\frac{1}{2}$ (17/2)	23 $\frac{3}{8}$ (28/11)
Prague . . .	135 $\frac{1}{2}$	142 $\frac{7}{8}$	143 $\frac{3}{8}$ (4/5)	135 (25/11)
Danzig . . .	24 $\frac{1}{2}$	26 $\frac{1}{2}$	26 $\frac{1}{2}$ (17/2)	24 $\frac{1}{2}$ (31/12)
Warsaw . . .	24 $\frac{1}{2}$	26 $\frac{3}{8}$	26 $\frac{1}{2}$ (17/2)	24 $\frac{1}{2}$ (31/12)
Riga . . .	25 $\frac{1}{2}$	25 $\frac{1}{2}$	25 $\frac{1}{2}$ (1/1)	24 $\frac{1}{2}$ (1/1)
Bucharest . . .	660	677 $\frac{1}{2}$	690 (1/1)	650 (9/8)
Istanbul . . .	5-75	6-19	6-22 (28/2)	5-73 (3/12)
Belgrade . . .	209	216	223 (12/5)	202 (26/11)
Kovno . . .	27 $\frac{1}{2}$	29 $\frac{1}{2}$	30 $\frac{1}{2}$ (17/2)	26 $\frac{1}{2}$ (28/9)
Sofia . . .	385	405	420 (1/1)	370 (24/11)
Tallinn . . .	18 $\frac{1}{2}$	18 $\frac{1}{2}$	18 $\frac{1}{2}$ (1/1)	17 $\frac{1}{2}$ (1/1)
Oslo . . .	19-90	19-90	19-95 (1/1)	19-85 (1/1)
Stockholm . . .	19-40	19-40	19-45 (1/1)	19-35 (1/1)
Copenhagen . . .	22-40	22-40	22-45 (1/1)	22-35 (1/1)
Alexandria . . .	97 $\frac{1}{2}$	97 $\frac{1}{2}$	97 $\frac{3}{8}$ (1/1)	97 $\frac{1}{8}$ (1/1)
Bombay . . .	1/5 $\frac{1}{8}$	1/6 $\frac{1}{8}$	1/6 $\frac{1}{8}$ (1/1)	1/5 $\frac{1}{8}$ (3/6)
Calcutta . . .	1/5 $\frac{1}{8}$	1/6 $\frac{1}{8}$	1/6 $\frac{1}{8}$ (1/1)	1/5 $\frac{1}{8}$ (3/6)
Madras . . .	1/5 $\frac{1}{8}$	1/6 $\frac{1}{8}$	1/6 $\frac{1}{8}$ (1/1)	1/5 $\frac{1}{8}$ (3/6)
Hong-Kong . . .	1/3	1/3	1/3 $\frac{1}{8}$ (1/1)	1/2 $\frac{1}{8}$ (28/3)
Kobe . . .	1/2	1/2	1/2 $\frac{7}{8}$ (5/4)	1/1 $\frac{1}{8}$ (12/3)
Shanghai . . .	8 $\frac{3}{4}$ d.	1/2 $\frac{7}{8}$	1/2 $\frac{3}{8}$ (1/1)	7 $\frac{1}{4}$ d. (13/6)
Singapore . . .	2/3 $\frac{1}{8}$	2/4 $\frac{5}{8}$	2/4 $\frac{1}{2}$ (1/1)	2/3 $\frac{1}{8}$ (7/6)
Batavia . . .	8-52 $\frac{1}{2}$	8-96 $\frac{1}{2}$	8-99 (16/3)	8-48 (26/11)
R. de Janeiro . . .	3 $\frac{1}{4}$ d.	2 $\frac{3}{8}$ d.	3 $\frac{1}{4}$ d. (15/11)	2 $\frac{1}{4}$ d. (1/1)
B. Aires . . .	20-42 $\frac{1}{2}$	21-03 $\frac{1}{2}$	20-75 (23/11)	17-00 (14/1)
Valparaiso . . .	116	125	125 (1/1)	116 (24/11)
Montevideo . . .	19d.	25 $\frac{1}{4}$ d.	26 $\frac{1}{2}$ (5/1)	17 $\frac{1}{2}$ (20/12)
Lima * . . .	22-50	20-50	24-50 (12/9)	20-00 (1/1)
Mexico . . .	Unquoted.	18	18-50 (1/1)	17-50 (1/1)
Manila . . .	2/1 $\frac{1}{8}$	2/0 $\frac{1}{8}$	2/1 $\frac{1}{8}$ (17/11)	1/11 $\frac{1}{8}$ (24/2)

\* The official selling rate remained at \$15 during the year. The highest average remittance rate for importers was \$17-13 (8/11) and the lowest \$16-12 (1/1).

† The discount on registered marks was 43 $\frac{1}{2}$  per cent. on January 1, and 70 per cent. on September 28.

which led to heavy withdrawals of French funds, and the lifting of the embargo on gold loans by the Bank of England in an effort to strengthen sterling. As the British Exchange Fund was practically the only source of supply the gold holding of this fund was heavily reduced. The silver

market was exceptionally stable, the range of prices being the narrowest on record. In March the price fell from the highest of  $20\frac{9}{16}d.$  per ounce to the lowest of  $18\frac{3}{8}d.$  per ounce on news that Mexico was to expropriate British and American oil properties. The average price was  $19\frac{1}{2}d.$  per ounce and compared with  $20\frac{1}{16}d.$  per ounce in 1937. The firmness of the market was principally due to an early intimation that the United States intended to support the market much as before. Imports declined from 20,275,600*l.* to 18,135,000*l.* but exports rose from 9,797,179*l.* to 29,313,000*l.*

*Stock Exchange.*—In the stock markets the recovery which occurred in the second half of 1938 in American securities did little to redeem the depression which prevailed in nearly every other direction. Curiously enough there was rarely any sustained selling on a material scale, the almost universal fall in values being mainly the outcome of the lack of confidence. Business, in fact, was so small that many members were unable to cover their expenses. Chief among the causes for the decline in business was the series of political crises on the Continent of Europe. These culminated in September with German demands on Czechoslovakia when the outlook became so grave that business was virtually suspended and quotations for British Government stocks were arbitrarily fixed on a nominal basis. These circumstances served to place foreign bonds in the background, many of which lost 50 per cent. or more of their value at the close of 1937. Another factor was the decline in many commodity prices reflecting the decline in trade, and as taxes had increased earnings on the whole must inevitably have declined. There was thus little to encourage optimism either for fixed interest or variable dividend securities, which moved more or less in unison. According to the *Bankers' Magazine* 365 various securities fell by 7·3 per cent., but those with a fixed interest, which accounted for a quarter of the total, lost over 6 per cent. whilst the remaining three-quarters carrying a fluctuating dividend declined by over 9·5 per cent. None suffered more than home railways, the equity stocks of which lost half their value, partly because of the shrinkage in industry reducing the volume of traffic and competition with road transport, whilst in addition expenses were substantially higher. The result was that gross revenues fell by over 7,000,000*l.* and the companies felt obliged to seek relief from obsolete restrictions. Over-production, leading to lower prices, caused a reaction in oil shares, and rubber shares encountered similar conditions. Miscellaneous issues steadily weakened, including many of those calculated to gain most from the exceptional activity in armaments. Even shares in gold mines were not altogether immune from the general malaise which prevailed, whilst those associated with base metals invariably lost ground too.

*Commodity Prices.*—Changes in commodity prices were much less drastic in 1938 than in the preceding year mainly because the dominating factors were no longer economic but political. The liquidation of excessive stocks accumulated in the closing months of 1937 prejudiced the course of prices during the first few months. Later, confidence was lacking owing to fears of war, a circumstance which helped certain of the base metals, large purchases being made on Government account. Thus tin and copper

prices advanced, assisted by adjustments in their regulated outputs, and although wheat was also purchased freely by the Government for purposes of national emergency, the probability of a record crop and heavy stocks brought about a fall in market values. Most other commodities too were in abundant supply, especially cotton, the rise in which was entirely due to America withholding supplies. On the whole, however, prices were lower, trade demands being of a hand-to-mouth order. On December 30 *The Times* index number of wholesale prices was 8·2 per cent. lower than a year previous (1913—100), the first reaction since 1932, when the figure was 94·3 per cent. In 1937 there was a rise of 2·5 per cent.

*Tinplates.*—The reaction in the tinplate trade was accentuated because stocks had become abnormal. From a record level of some 4,250,000 tons in 1937, production fell to approximately 2,900,000 tons. In America, output fell by 43 per cent. but in Britain it was only 35 per cent. smaller than in 1937. The mills worked to only 42 per cent. of their capacity and produced 620,000 tons as compared with 968,000 tons in the preceding year, whilst exports fell from 438,000 tons to 320,000 tons.

*Shipbuilding and Shipping.*—From the view both of owners and builders, shipping had a much less favourable experience last year than in 1937. The decline in the output of raw materials and manufactured goods lessened the demand for freights, the average level for which declined by 28 per cent. By December 31 idle tonnage in British ports had increased from 174,633 on January 1 to 452,366, a quarter of this total being foreign. With little or no prospect of a material improvement, much effort was made to formulate plans for safeguarding the trade with Government support of a financial order, the grounds for which being based on national interests. Meanwhile, the position of shipbuilders went from bad to worse, for although the tonnage launched increased by 11 per cent. most of it represented work of 1937, and orders for new tonnage declined with alarming rapidity. Only 779,762 tons was in course of building at the close of the year, or 345,664 tons less than in December, 1937, the percentage for foreign owners being 16·8 per cent. against 18 per cent.

*Iron and Steel.*—The national rearmament plans enabled the iron and steel industry to maintain an abnormally large output for the first three months of 1938. But the outlet in this direction was not sufficient to make good the smaller demand for other purposes which became more pronounced in the later months. This was partly because the difficulties of the preceding year had induced users to accumulate exceptional stocks. These had need to be used whilst prices were high. Consequently, production steadily declined until the total was some 20 per cent. below that of 1937. Steel output fell from 12,964,000 to 10,394,000 tons and pig-iron from 8,496,000 to 6,763,000 tons. Nevertheless, supplies were ample, and in order to protect the industry the import duties suspended in the previous year were reimposed.

*Coal Trade.*—The coal industry had a similar experience. Demand was fully maintained in the first few months in spite of higher prices. But these did little to compensate for the serious decline in consumption which subsequently occurred, the home trade being adversely affected first by

Commodities.	Dec. 30, 1938.	Dec. 30, 1937.	Average, 1913.
<b>Food.</b>			
Wheat, Eng., Gaz. Av. . . . . 112 lb.	4s. 4d.	8s. 5d.	7s. 5d.
„ No. 2, N. Man. . . . . 496 lb.	27s. 6d.	55s. 9d.	37s. 3d.
Flour, Ldn. Straights . . . . . 280 lb.	23s.†	36s. 6d.†	27s. 6d.
Barley, Eng., Gaz. Av. . . . . 112 lb.	7s. 10d.	13s. 5d.	7s. 8d.
Oats, Eng., Gaz. Av. . . . . 112 lb.	6s.	8s. 2d.	6s. 10d.
Maize, La Plata, ex ship . . . . . 480 lb.	28s. 6d.	32s. 3d.	24s. 3d.
Rice, No. 2, Burma . . . . . cwt.	10s. 9d.	11s. 3d.	9s. 9d.
Beef, English sides . . . . . 8 lb.	4s. 6d.	5s.	4s. 3d.
„ S.A., chilled hqr. . . . . 8 lb.	4s. 4d.	4s. 2d.	3s. 5d.
Mutton, N.Z., frozen . . . . . 8 lb.	3s. 2d.	4s.	3s. 3d.
Bacon, Irish lean . . . . . cwt.	100s.	101s.	77s.
„ Danish . . . . . cwt.	100s.	100s.	77s.
Fish* . . . . . stone	4s. 3d.	4s. 4d.	3s. 3d.
Eggs, English . . . . . 120	17s. 6d.	20s.	12s.
Sugar, Eng. ref., cubes . . . . . cwt.	24s. 3d.	24s.	18s. 3d.
„ W. Ind., cryst. . . . . cwt.	18s. 9d.	19s. 6d.	16s.
Tea, N. Ind. Auctn., Avg. . . . lb.	1s. 0 <sup>11</sup> / <sub>16</sub> d.	1s. 1 <sup>1</sup> / <sub>2</sub> d.	9 <sup>1</sup> / <sub>2</sub> d.
Cocoa, f.f., Accra, f.o.b. . . . cwt.	18s. 9d.	23s. 9d.	55s.
Cheese, Eng. Cheddar . . . . . cwt.	86s.	90s.	73s. 9d.
Butter, Danish, fine . . . . . cwt.	144s.	148s.	125s.
Lard, Amer., ref., boxes . . . cwt.	46s.	52s. 9d.	57s. 3d.
Potatoes, English, good . . . ton	5l. 10s.	5l. 10s.	70s. 3d.
<b>MATERIALS.</b>			
Pig iron, Hemt., M'bro . . . ton	132s. 6d.	132s. 6d.	72s. 8d.
„ Cleve'd, No. 3 . . . ton	109s.	109s.	58s. 2d.
Iron, marked bars, Staff. . . ton	15l. 15s.	15l. 15s.	9l. 12s. 6d.
„ Crown bars . . . ton	13l. 5s.	13l. 5s.	7l. 15s.
Steel rails, heavy . . . ton	10l. 2s. 6d.	10l. 2s. 6d.	6l. 12s.
„ boiler plates . . . ton	12l. 6d.	12l. 0s. 6d.	8l. 16s. 3d.
„ galv. sheets . . . ton	16l. 15s.	18l. 10s.	11l. 7s.
„ tinplates . . . box	21s. 6d.	22s. 6d.	13s. 6d.
Copper, electrolytic . . . ton	50l.	43l.	71l. 15s.
„ strong sheets . . . ton	80l.	74l.	85l.
Tin, stand. cash . . . ton	216l. 10s.	183l. 10s.	200l. 2s. 6d.
Lead, English . . . ton	17l. 10s.	17l. 10s.	19l. 2s. 6d.
Spelter, foreign . . . ton	13l. 16s. 3d.	15l. 1s. 3d.	22l. 10s.
Coal, Lge. steam, Cardiff . . ton	22s. 6d.	26s.	20s. 6d.
„ best gas, Durham . . ton	19s. 6d.	22s. 6d.	16s. 3d.
„ best hse., York . . ton	24s.	25s. 6d.	17s. 6d.
Pet'l'm., Amer., rfd., brl. . gall.	10d.	10 <sup>1</sup> / <sub>2</sub> d.	8 <sup>1</sup> / <sub>2</sub> d.
Cotton, Am., mid. . . lb.	5-25d.	4-80d.	7-12d.
„ Egypt, f.g.f., Sak. . lb.	7-46d.	8-19d.	9-84d.
„ yarn, 32's twist . . lb.	8 <sup>1</sup> / <sub>2</sub> d.	10 <sup>1</sup> / <sub>2</sub> d.	10 <sup>1</sup> / <sub>2</sub> d.
„ „ 60's „ Egypt . lb.	17 <sup>1</sup> / <sub>2</sub> d.	18 <sup>1</sup> / <sub>2</sub> d.	17 <sup>1</sup> / <sub>2</sub> d.
„ shirtings, 8 <sup>1</sup> / <sub>2</sub> lb. . piece	9s. 5d.	9s. 11 <sup>1</sup> / <sub>2</sub> d.	8s.
„ print., 17 × 17-32 in. 125 yards . . . piece	23s.	23s. 9d.	19s.
Wool, gsy., 60-64's (55 %) . lb.	12d.	14 <sup>1</sup> / <sub>2</sub> d.	13 <sup>1</sup> / <sub>2</sub> d.
„ gsy., N.Z. 46's (75%) . lb.	10 <sup>1</sup> / <sub>2</sub> d.	12d.	11d.
„ tops, 64's, warp . . lb.	26d.	31 <sup>1</sup> / <sub>2</sub> d.	29d.
„ tops, 40's, prepd. . lb.	14 <sup>1</sup> / <sub>2</sub> d.	19d.	15 <sup>1</sup> / <sub>2</sub> d.
Flax, Livonian, Z.K. . . ton	72l.	66l.	38l.
Hemp, Grade K . . . ton	19l. 12s. 6d.	25l. 5s.	29l.
Jute, first marks, shipmt. . ton	19l. 12s. 6d.	18l. 5s.	30l. 15s.
Hides, Eng., Ox, first . . lb.	5d.	5 <sup>1</sup> / <sub>2</sub> d.	7 <sup>1</sup> / <sub>2</sub> d.
„ Cape, dry . . . lb.	7 <sup>1</sup> / <sub>2</sub> d.	8 <sup>1</sup> / <sub>2</sub> d.	11 <sup>1</sup> / <sub>2</sub> d.
Timber, Swedish, 3 × 8 . . stand	20l. 15s.	23l. 10s.	15l.
„ W'cot, oak . . . c. ft.	17s.	17s.	10s.
Cement, best Portland . . ton	2l. 2s.	2l. 2s.	36s.
Rubber, Plant., sheet . . lb.	8 <sup>1</sup> / <sub>2</sub> d.	7 <sup>1</sup> / <sub>16</sub> d.	3s. 1d.
Linseed oil . . . ton	25l. 10s.	30l.	24l. 15s.
Soda crystals, bags . . . ton	5l. 5s.	5l. 5s.	2l. 2s. 6d.
Index number, Food . . .	110-2	128-6	100
Index number, Materials . . .	115-9	121-3	100
Total index number . . .	113-8	123-9	100

\* Average price of plaice, cod, and haddock.

† Exclusive of quota charge.



unseasonable weather and, secondly, by the slower tempo of trade activity, notably in the iron and steel groups. Meanwhile, anxiety regarding international affairs and the reimposition of duties by France and Belgium brought about a serious curtailment of exports. As a result both output and exports fell back to the levels of 1936 production, being 12·4 million tons smaller than in 1937 at 228,000,000 tons, whilst exports of 49·7 million tons compared with 56·3 million tons in the preceding year. Cost of production continued to rise, and as selling prices tended to fall profits were inevitably smaller.

*Insurance.*—War risks figured largely in the affairs of many insurance companies during 1937, and as rates for this class of risk advanced for a narrower cover and claims were negligible, experience in this direction was favourable. But motor business remained unsatisfactory, and largely because of costly outbreaks abroad, fire insurance was less profitable than in 1937. Less employment coupled with the anxieties experienced and increased taxation helped to restrict opportunities for the life offices.

*Textiles.*—Although prices were relatively more stable than in 1937 the year was much less profitable for all branches of the textile industry. All sections suffered much the same difficulties, which were excessive stocks and a falling demand, especially from overseas markets. These were problems which a reduction in prices failed to bring more than minor reliefs. Whilst internal trade was maintained, a fall of 20 per cent. in exports stimulated efforts to rationalise the cotton industry by means of an Enabling Bill which was calculated to bring about a recovery. Progress was also made to secure reciprocity of treatment from countries enjoying good markets in Britain. This was particularly noticeable in regard to woollens, some imports of which were 25 per cent. to 50 per cent. larger than in 1937 whilst in many cases exports declined on a similar scale. Consequently, the industry worked to only 70 per cent. to 75 per cent. of its capacity. Similar conditions prevailed in the rayon factories whose difficulties were domestic rather than foreign, for exports improved. But production fell by 9 per cent. and home consumption was 22 per cent. smaller than in 1937, and, although the effect of this decline was ameliorated by steady prices, the industry encountered one of its bleakest periods on record.

*Oil and Rubber.*—Although the demand for oil showed little decline, stocks increased to such an extent that it was necessary to reduce world output by around 3·4 per cent., mostly at the expense of the American fields. These, however, again provided more than half the world's output which was again estimated at 2,000,000,000 barrels. Mainly because of the excessive supplies prices declined. British imports, however, rose by 4·3 per cent., mainly in crude oil for refining purposes. Over one-third again came from Venezuela and the Dutch West Indies, the Mexican output being much reduced. The rubber industry suffered in common with most others in the commodity markets. The Control Committee's estimate of the outlook proved a little too optimistic, for stocks continued to rise and it was necessary to reduce export quotas from 70 per cent. to 45 per cent., the average for the year being 55 per cent. against 83½ per cent. in 1937.

In March the price fell to 5*d.* per lb. from which there was a recovery to 8½*d.* per lb. in October, mainly in consequence of a revival in the American demand at the advent of summer.

*Motor, Aircraft, and Films.*—Although a further advance was recorded by the number of motor vehicles in use, which were officially estimated to have exceeded 3,000,000 for the first time, the motor trade was less active than in 1937, partly because of the uncertain outlook restricting the demand for new vehicles and replacements. Thus, output of 443,700 was some 10 per cent. less than in the preceding year, the decline being more marked in the case of the larger types. Exports fell from 98,508 to 82,541 and there was a decline in imports from 31,276 to 18,713. Exports of spare parts and accessories, however, were well maintained and in some cases increased, whilst the export value of vehicles was relatively less marked than their number. Shipments of cycles, however, were down from 831,000 to 576,450, their value being 1,675,160*l.* against 2,329,076*l.* Owing to the exigencies of the times aircraft manufacture was one of the few industries to record a marked increase in its output. So great was the demand that many companies raised more capital to finance big extensions to their works. So secure did the outlook appear in this direction that many engineering firms were induced to enter the trade, usually by the acquisition of the smaller aircraft companies. Activity, however, was devoted to military craft to such an extent that many civil airlines were obliged to buy their new planes from abroad. Many factors combined to delay progress in the film industry. The new Quota Act, which came into force on March 31, aroused many doubts as to whether it would enable the industry to overcome the difficulties encountered under previous Acts. But it encouraged co-operation rather than competition with its more serious rivals, in which respect the full extent of its usefulness has yet to be revealed. Unfortunately, mistakes of the past continued to prejudice its operations, particularly as regards finance whilst a shortage of suitable stories was another restricting factor. Consequently, the total output was smaller, but the percentage of feature films to those of foreign make recovered from 27·5 per cent. to 31 per cent. and to this extent the industry may be said to have reached a more responsible stage.

*The Balance of Payments.*—According to calculations by the Board of Trade the adverse balance of payments in respect of 1938 was less by 1,000,000*l.* than in the previous year. This improvement, however, was more apparent than real, for if allowance is made for the exceptional movements of silver, which resulted in a net credit of over 11,000,000*l.*, the adverse balance was nearer 66,000,000*l.* than 55,000,000*l.* shown in the calculations. On comparable basis the figure for 1937 was around 45,000,000*l.* Nevertheless, the visible adverse balance in respect of merchandise alone was 43·4 millions smaller than in 1937, mainly because of the change in prices. For whilst the volume of retained imports was only 4½ per cent. smaller, their value was 6 per cent. less. In the preceding year there were increases of 6 per cent. and 12·4 per cent. respectively. On the other hand, United Kingdom exports, which in 1937 rose by 12 per cent., were 11 per cent. smaller last year but their value was 2 per cent.

higher, this being largely due to the inevitable time-lag between the purchase of raw materials and their sale in the form of manufactured goods. Government disbursements were larger than in 1937, and exceeded receipts by 9,000,000*l.*, largely because of credits granted Czechoslovakia and increased expenditure in Palestine.

Shipping was believed to have suffered most amongst the invisible items. This was attributed to smaller cargoes and lower freights, which reduced earnings by some 20 per cent. compared with 1937. Lower price levels of many commodities accounted for much of the smaller income derived from overseas investments. Payments on account of railways were also less, whilst suspension of payments by Brazil, China, and Spain were other important factors. Bank interest and receipts from other financial services were estimated to have dropped to the level of 1936. But the full effect of the year's adverse circumstances have yet to be revealed, and, unless efforts to stimulate exports succeed or appeasement of international ambitions permit of a reduction of armament expenditure, it is to be expected that the result in the next year will be even less satisfactory.

Results for the past three years (1936 and 1937 figures adjusted) are shown in the following table :—

BALANCES OF CREDITS AND DEBITS IN THE TRANSACTIONS (OTHER THAN THE LENDING AND REPAYMENT OF CAPITAL) BETWEEN THE UNITED KINGDOM AND ALL OTHER COUNTRIES.

Particulars.	In Million £'s.		
	1936.	1937.	1938.
Excess of imports of merchandise and silver bullion and specie . . . . .	345	442	377
Estimated excess of Government payments made overseas . . . . .	3	4	13
Total . . . . .	348	446	390
Estimated net national shipping income * . . . .	85	130	100
Estimated net income from overseas investments . .	200	210	200
Estimated net receipts from commissions, etc. . .	35	40	35
Estimated net receipts from other sources . . . .	10	10	—
Total . . . . .	330	390	335
Estimated total credit or debit balance on items specified above . . . . .	— 18	— 56	— 55

\* Including disbursements by foreign ships in British ports.

## LAW.

THE year 1938 was memorable as seeing a large number of changes in holders of judicial office. In the Chancellorship Lord Maugham succeeded Lord Hailsham; there were two new Law Lords in Lord Romer and Lord Porter, the latter being promoted direct from the King's Bench to replace Lord Maugham: Lords Justices Clauson, Finlay, Luxmoore, Goddard, and du Parcq were promoted from the High Court, and Messrs. Morton, Asquith, Oliver, Croom-Johnson, and Norton Stable were appointed to the High Court. During the year two ex-judges of King's Bench—Sir Thomas Gardner Horridge and Sir George Talbot—died only one year after retiring.

Of the five new Lords Justices, three were appointed under the Supreme Court of Judicature (Amendment) Act, so that a third court of appeal should be available, and it was indicative of the decline which recent years has seen in Chancery business that the same Act reduced the normal number of judges of that Division from six to five. It also enacted that the new Lords Justices might be called on to sit as judges of the High Court when circumstances so required—an arrangement which secures greater elasticity and assists more particularly the King's Bench Division, where the lists again proved too heavy to be dealt with by the Lord Chief Justice and seventeen puisne judges as promptly as desirable. At the close of the year there was a prospect of an increase once more to nineteen puisnes by the machinery of an address under the 1935 Judicature Act. The greater measure of certainty as to dates of trial and new arrangements to secure greater continuity in the judges taking the Commercial list were welcomed in commercial circles. In the Probate, Divorce, and Admiralty Division of the High Court the already long Divorce lists were augmented to some extent by the new grounds for divorce afforded by the Matrimonial Causes Act of 1937. There was no such landslide as had been prophesied in certain quarters, but, judging from the increased number of applications to committees under the Poor Persons Procedure, it is probably too soon to gauge the ultimate increase in petitions.

Two important Departmental Committee reports presented during the year dealt with Corporal Punishment and "Share-Pushing." The former committee concluded, despite a memorandum from the Lord Chief Justice which attributed to the King's Bench judges as a whole, the view that it should be retained for robbery with violence, that it was not essential in the interests of society to retain corporal punishment. Statistics, they said, went to show that the amount of robbery with violence decreased steadily in pre-war years in spite of a small and decreasing use of this form of punishment, and that it had in recent years shown a

tendency to rise in spite of its much greater use. Their recommendation that it should be abolished save for serious offences against prison discipline was incorporated in an exceedingly comprehensive and sympathetic measure of penal reform—the Criminal Justice Bill—which was read a second time in the Commons House in December. The recommendations of the latter committee were included in the Prevention of Fraud (Investments) Bill, for *inter alia* regulating the business of dealing in securities, introduced by the Board of Trade in the autumn.

New Acts of Parliament numbered again over 70, the most bulky—and the most hotly contested in certain quarters—being the Coal Act, transferring coal royalties as from July 1, 1942, from private ownership to that of a Coal Commission, compensation to owners being based on the prospective marketable value of the coal. The Cinematograph Films Act established another public body, the Cinematograph Films Council, and provided for the exhibition of registered films only, restricting also blind and advance booking and so on. Bills to extend marketing schemes and further elaborately to organise industry were exemplified in the Bacon Industry and the Sea Fishing Industry Acts. The Food and Drugs Act was both consolidating and amending, as was also, in effect, the Trade Marks Act. Each was based on the considered and detailed recommendations of a committee, and clarified as well as supplemented the law on the subject.

As the Matrimonial Causes Act of 1937 was a private Bill, so were likewise three items of 1938 legislation which are interesting from the social viewpoint—the Inheritance (Family Provision) Act, the Hire-Purchase Act, and the Leasehold Property (Repairs) Act. A measure to restrict the freedom of testamentary disposition had been before Parliament in one form or another on several occasions, and the present Act is much less drastic than were some of the earlier Bills. No attempt is made to introduce the legitim of Scots law or to give to the family an absolute right to any part of the estate of a testator, however small. What the Act does do is to enable application to be made to the court—provided it is made within six months of the date of representation to the estate of the testator being taken out—for reasonable provision out of the net estate for the benefit of any surviving spouse, infant son, unmarried daughter, or, while such persists, for any son or daughter suffering from mental or physical disability rendering him or her incapable of self-support. The “reasonable” provision is a matter for the discretion of the court, but no application can be entertained where not less than two-thirds is left to the spouse and the only other dependents are his or her children. Further, the court must also have regard to the testator’s reasons for making the dispositions in his will, so far as ascertainable, and may accept such evidence thereof as it considers sufficient, including any signed and dated statement in writing of the testator, having regard at the same time to all the circumstances from which any inference can reasonably be drawn as to its accuracy or otherwise.

The object of the Hire-Purchase Act, which in general applies only where the purchase price does not exceed £100, is to protect the more

ignorant, and therefore, more defenceless, hirer from the unscrupulous type of vendor. Certain requirements are laid down with respect to all hire-purchase agreements within the limits of the Act, certain conditions are implied and certain provisions avoided. In particular, the memorandum of agreement must contain the cash price of the goods, of which the hirer must be aware before entering into the negotiations, and also a notice as to the right of the hirer to terminate the agreement on payment of half the hire-purchase price. The owner, on his side, may apply for an order of the court for the protection of the goods from damage or depreciation, including an order giving directions as to custody. The Leasehold Property (Repairs) Act places restrictions on the enforcement of repairing covenants in leases of houses of a rateable value of not more than 100*l.* where five years or more are still to run, and obliges the lessor, in serving notice of a breach, to inform the lessee of his right to serve a counter notice claiming the benefit of the Act. A noteworthy feature is that this Act, which was directed against a specific existing practice on the part of speculators in leases, applies to leases created and breaches occurring before as well as after its commencement.

Before leaving the topic of legislation reference must be made to the important Administration of Justice (Miscellaneous Provisions) Act, which follows the lines of certain recommendations of the Royal Commission on Dispatch of Business at Common Law presided over by the late Lord Peel, before which evidence was given by a number of Supreme Court and County Court judges as well as by barristers and solicitors and others. This Act extends the limit of the ordinary jurisdiction of the county court to 200*l.* (instead of 100*l.*), subject to the right of the defendant, where the amount in question exceeds 100*l.*, to apply for transfer to the High Court. As regards Quarter Sessions, it provides for application to the Chancellor for the appointment of legally qualified Chairmen or Deputy Chairmen, and provides that, only in cases where there are such legally qualified Chairmen appointed under the Act, certain additions shall be made to the offences triable at Quarter Sessions. Amongst a number of more technical provisions designed to promote dispatch is one giving power to the judge going a circuit in his sole discretion to cancel assizes where there is no substantial amount of business. The Evidence Act, introduced by Lord Maugham, makes some very cautious relaxations in the severity of the requirements by allowing documents of twenty years old to "prove themselves," as the phrase goes, and under certain carefully defined conditions permitting documentary evidence of a fact to take the place of direct oral evidence.

In regard to the more notable decisions of the year, the House of Lords, though it gave one or two interesting Workmen's Compensation decisions, an important Chancery decision in *Re Blake: Berry v. Geen* and a useful Trade Marks judgment in *Baily v. Clark, Son and Morland*, did not deal with points of general public interest save perhaps in *Beresford v. General Assurance Company*, where they substantially affirmed the Court of Appeal judgment, holding that public policy prevented the executor of an assured who committed suicide while sane from recovering the policy money.

Recent political events gave rise in the High Court and the Court of Appeal to interesting discussions on international law turning on the jurisdiction of the courts of this country and distinguishing between the status of *de facto* and *de jure* rulers of territory. What have been rightly termed the "quite extraordinary difficulties" imported by the House of Lords decision in 1937 in the case of *Rose v. Ford* have frequently exercised the courts in 1938, and the sums awarded to personal representatives of deceased persons for the deceased's loss of expectation of life have been widely divergent. The line taken by the Court of Appeal in such cases has been that they had no means of ascertaining the quantum of damages in different cases and ought not to offer advice on the application of the principle. It was not for judges, in their view, to lay down any approximate scale of financial value of life, and unless the amount awarded by a jury was wholly unreasonable they were not called upon to interfere.

In *Pratt v. Cook, Son & Company (St. Pauls) Ltd.* a majority of the Court of Appeal, reversing Wrottesley, J., held that the fact that a manual worker, under an oral agreement with the manager, received dinner and tea as part remuneration did not constitute a breach of the Truck Acts. Another Court of Appeal decision of popular interest was that in *Wardell v. Kent County Council*, where they held that a nurse in a hospital, working under the direction of a sister and meeting with an accident in the preparation of a certain mixture for application to a patient, was under a "contract of service" and a "workman" for the purposes of the Workmen's Compensation Acts. In King's Bench, *People's Hostels v. Turley* made clear that letting for one week or longer did not in itself prevent premises from coming under the category of a common lodging-house (under the definition given in the Public Health Act of 1936), and being liable to registration, inspection, etc., and *Hirschorn v. Evans* that a joint bank account in the name of husband and wife could not be garnisheed to satisfy a judgment debt against the husband only. The old privilege attaching to communications between husband and wife arose in a rather novel form in *Shenton v. Tyler*, where it was held that it applied also in the case of a widow so as to prevent an attempt to secure disclosure by her of a communication made to her by her late husband.

Two useful decisions were concerned with Local Authorities and water supply, their value lying in their bringing home liabilities which had not before been realised. In the first—*Barnes v. Iruell Valley Water Board*—which was a Court of Appeal case, the tenant of a house and his wife suffered from lead poisoning as a result of drinking water supplied by the water authority. The water so supplied was, to the knowledge of the authority, plumbo-solvent, the water having absorbed lead from the lead piping connecting the household supply with the main. The water authority knew that there were lead pipes on the tenant's premises but took no steps to reduce the plumbo-solvency or to warn the tenant of the necessity of taking suitable precautions. It was held that, while they had committed no breach of their statutory duty, they were negligent at common law in having failed to warn the tenant or to take other steps. The second—*Read v. Croydon Corporation*—arose out of the illness of

the child of a ratepayer which was traced to infection by typhoid germs of the water supplied by the Corporation. The father claimed damages for himself in respect of special expenses incurred and also damages for his daughter, alleging that there had been breach of contract, breach of statutory duty and also breach of common law duty. The judge, Mr. Justice Stable, held that the duty of the Corporation was statutory and that there was not a contract between them and the ratepayer; further, that the obligation to provide pure water to the occupant of a dwelling-house was not absolute but an obligation to exercise all reasonable care and skill to secure its purity, but this duty the Corporation had not performed. The fact that there was a penalty for breach of statutory duty did not exclude a common law duty in water work cases, as had been held in *Barnes v. Irwell Valley Water Board*, and, putting aside altogether the question of statutory duty, the Corporation owed a common law duty to both father and child in which they had failed. The daughter was held entitled to 100*l.* damages and the father to agreed out-of-pocket expenses. Among the numerous Road Traffic decisions, most of which are too complicated for brief reference, the following are perhaps hardly what the layman would have expected: the fact that the accused is a "learner," with the consequent lack of skill and experience, cannot affect the standard of "due care and attention" required of all drivers under the 1930 Act; failure to conform with a white line indication on the highway is no offence; and the effect of the regulation of crossings by green, amber, and red lights is "to give to the traffic in whose favour the lights are showing the monopoly of the crossing" (*Eva v. Reeves*: Court of Appeal). It should be added that the last decision has evoked considerable criticism from both lawyers and motorists, many of whom agree with a writer in a legal journal that motorists with the green light in their favour "still owe a duty to their misguided fellow travellers who are on the intersection even in defiance of the red light."

In the department of Criminal Law, the acquittal in *Rex v. Bourne* was of considerable public interest in that the judge's summing-up threw new light on the law of abortion. The defendant was an obstetric surgeon who was charged with unlawfully using an instrument to procure miscarriage in a girl of fourteen, the victim of rape. The Crown having contended that the only circumstances in which such an operation was not unlawful was when it was performed to save the mother's life, Mr. Justice Macnaghten directed the jury that if pregnancy was likely to make the mother a physical or mental wreck, they might take the view that a doctor operating did so for the purpose of preserving the life of the mother. *Rex v. Cattle*, too, at the time evoked a certain amount of comment and has been followed by considerable agitation against the use in such circumstances of the heavy artillery of the Official Secrets Act. The defendant journalist's contribution to his paper having afforded grounds for suspecting that he had disclosed to him the contents of a document regarding a "wanted" man, circulated by the police for the use only of the police, he was called upon to state the source of his information. On his refusal he was charged and convicted of an offence against section 6



of the Official Secrets Act, 1920, which makes it the duty of every person to supply, on demand, information relating to breaches of the Act. A police officer, it was held, was a person holding office under His Majesty within the meaning of the 1911 Act and, therefore, capable of communicating secret information.

In Divorce there was a collection of interesting future "leading cases" arising out of or turning in part on the Matrimonial Causes Act of 1937. Thus, the burden of proof as to collusion and connivance under the 1937 Act, the essentials of constructive desertion and the effect of a deed of separation on a plea of desertion under the new Act were all considered, while *Shipman v. Shipman* decided that where a respondent alleged to be insane had been free from detention, on provisional discharge, for long periods within the statutory five years of "care and treatment" no divorce could be granted.

## PUBLIC DOCUMENTS.

### I.

#### **AGREEMENT BETWEEN THE UNITED KINGDOM AND ITALY, CONSISTING OF A PROTOCOL WITH ANNEXES AND EX- CHANGES OF NOTES.<sup>1</sup>**

*Rome, April 16, 1938.*

#### PROTOCOL.

THE Government of the United Kingdom of Great Britain and Northern Ireland and the Italian Government, animated by the desire to place the relations between the two countries on a solid and lasting basis and to contribute to the general cause of peace and security, have decided to undertake conversations in order to reach agreement on questions of mutual concern ;

and the said conversations having taken place ;

His Excellency the Right Honourable the EARL OF PERTH, G.C.M.G., C.B., His Majesty's Ambassador Extraordinary and Plenipotentiary at Rome, and

His Excellency Count GALEAZZO CIANO DI CORTELLAZZO, Minister for Foreign Affairs,

duly authorised for that purpose by their respective Governments, have drawn up the present Protocol and have signed the Agreements and Declarations annexed hereto, each of which shall be regarded as a separate and self-contained instrument :—

- (1) Reaffirmation of the Declaration of the 2nd January, 1937, regarding the Mediterranean, and of the Notes exchanged on the 31st December, 1936 ;
- (2) Agreement regarding the Exchange of Military Information ;
- (3) Agreement regarding certain Areas in the Middle East ;
- (4) Declaration regarding Propaganda ;
- (5) Declaration regarding Lake Tsana ;
- (6) Declaration regarding the Military Duties of Natives of Italian East Africa ;
- (7) Declaration regarding the free Exercise of Religion and the Treatment of British religious Bodies in Italian East Africa ;
- (8) Declaration regarding the Suez Canal.

<sup>1</sup> Reprinted from Cmd. 5726 by kind permission of The Controller of H.M. Stationery Office.

The said instruments shall take effect on such date as the two Governments shall together determine. Except in so far as any of them contain provisions with regard to their revision or duration, each of the said instruments shall remain in force indefinitely, but should either Government at any time consider that a change of circumstances renders the revision of any of these instruments necessary, the two Governments will consult together with a view to such a revision.

The two Governments agree that, immediately after the taking effect of the said instruments, negotiations will be opened, in which the Egyptian Government will be invited to participate so far as all questions affecting Egypt or the Anglo-Egyptian Sudan are concerned, with a view to a definitive agreement on the boundaries between the Sudan, Kenya and British Somaliland on the one side and Italian East Africa on the other ; and with regard to other questions affecting reciprocally (a) Italian interests on the one hand and British, Egyptian or Sudan interests on the other hand in the above-mentioned territories, and (b) the relations between those territories. These negotiations will also include the question of commercial relations between the Sudan and Italian East Africa.

It is also agreed that negotiations between the Government of the United Kingdom and the Italian Government will take place as soon as possible on the subject of commercial relations between Italian East Africa and the United Kingdom, India, and British colonies, overseas territories, protectorates and mandated territories administered by the Government of the United Kingdom, including the subject of the application, on conditions to be established, to the whole of Italian East Africa of the Treaty of Commerce and Navigation signed at Rome on the 15th June, 1883. These negotiations will be inspired by the common desire to further commercial relations between these territories and to ensure adequate facilities for trade.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

#### ANNEX 1.

#### REAFFIRMATION OF THE DECLARATION OF JANUARY 2, 1937, REGARDING THE MEDITERRANEAN, AND OF THE NOTES EXCHANGED ON DECEMBER 31, 1936.

THE Government of the United Kingdom and the Italian Government hereby reaffirm the Declaration signed in Rome on the 2nd January, 1937,<sup>1</sup> regarding the Mediterranean, and the Notes exchanged between the two Governments on the 31st December, 1936,<sup>1</sup> regarding the *status quo* in the Western Mediterranean.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

<sup>1</sup> Cmd. 5348

## ANNEX 2.

## AGREEMENT REGARDING THE EXCHANGE OF MILITARY INFORMATION.

THE Government of the United Kingdom and the Italian Government agree that in the month of January each year a reciprocal exchange of information shall take place through the Naval, Military and Air Attachés in London and Rome regarding any major prospective administrative movements or redistribution of their respective naval, military and air forces. This exchange of information will take place in respect of such forces stationed in or based on—

- (1) overseas possessions of either Party (which phrase shall for this purpose be deemed to include protectorates and mandated territories) in or with a seaboard on the Mediterranean, the Red Sea or the Gulf of Aden, and
- (2) territories in Africa other than those referred to in paragraph (1) above and lying in an area bounded on the west by longitude 20° east and on the south by latitude 7° south.

Such an exchange of information will not necessarily preclude the occasional communication of supplementary military information should either party consider that the political circumstances of the moment make it desirable.

The two Governments further agree to notify each other in advance of any decision to provide new naval or air bases in the Mediterranean east of longitude 19° east and in the Red Sea or approaches thereto.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

## ANNEX 3.

## ANGLO-ITALIAN AGREEMENT REGARDING CERTAIN AREAS IN THE MIDDLE EAST.

THE Government of the United Kingdom of Great Britain and Northern Ireland and the Italian Government,

being desirous of ensuring that there shall be no conflict between their respective policies in regard to the areas in the Middle East referred to in the present agreement,

being desirous, moreover, that the same friendly spirit which has attended the signing of to-day's Protocol, and of the documents annexed thereto, should also animate their relations in regard to those areas,

have agreed as follows :—

ARTICLE 1.—Neither Party will conclude any agreement or take any action which might in any way impair the independence or integrity of Saudi Arabia or of the Yemen.

ARTICLE 2.—Neither Party will obtain or seek to obtain a privileged position of a political character in any territory which at present belongs to Saudi Arabia or to the Yemen or in any territory which either of those States may hereafter acquire.

ARTICLE 3.—The two Parties recognise that, in addition to the obligations incumbent on each of them in virtue of Articles 1 and 2 hereof, it is in the common interest of both of them that no other Power should acquire or seek to acquire sovereignty or any privileged position of a political character in any territory which at present belongs to Saudi Arabia or to the Yemen or which either of those States may hereafter acquire, including any islands in the Red Sea belonging to either of those States, or in any other islands in the Red Sea to which Turkey renounced her rights by Article 16 of the Treaty of Peace signed at Lausanne on the 24th July, 1923. In particular they regard it as an essential interest of each of them that no other Power should acquire sovereignty or any privileged position on any part of the coast of the Red Sea which at present belongs to Saudi Arabia or to the Yemen or in any of the aforesaid islands.

ARTICLE 4.—(1) As regards those islands in the Red Sea to which Turkey renounced her rights by Article 16 of the Treaty of Peace signed at Lausanne on the 24th July, 1923, and which are not comprised in the territory of Saudi Arabia or of the Yemen, neither Party will, in or in regard to any such island :—

- (a) establish its sovereignty, or
- (b) erect fortifications or defences.

(2) It is agreed that neither Party will object to :—

- (a) the presence of British officials at Kamaran for the purpose of securing the sanitary service of the pilgrimage to Mecca in accordance with the provisions of the Agreement<sup>1</sup> concluded at Paris on the 19th June, 1926, between the Governments of Great Britain and Northern Ireland and of India on the one part, and the Government of the Netherlands, on the other part; it is also understood that the Italian Government may appoint an Italian Medical Officer to be stationed there on the same conditions as the Netherlands Medical Officer under the said Agreement;
- (b) the presence of Italian officials at Great Hanish, Little Hanish and Jebel Zukur for the purpose of protecting the fishermen who resort to those islands;
- (c) the presence at Abu Ail, Centre Peak and Jebel Teir of such persons as are required for the maintenance of the lights on those islands.

ARTICLE 5.—(1) The two Parties agree that it is in the common interest of both of them that there shall be peace between Saudi Arabia and the Yemen and within the territories of those States. But, while they will at all times exert their good offices in the cause of peace, they will not intervene in any conflict which, despite their good offices, may break out between or within those States.

<sup>1</sup> Treaty Series No. 26 (1926). Cmd. 2741.

(2) The two Parties also recognise that it is in the common interest of both of them that no other Power should intervene in any such conflict.

ARTICLE 6.—As regards the zone of Arabia lying to the east and south of the present boundaries of Saudi Arabia and of the Yemen or of any future boundaries which may be established by agreement between the Government of the United Kingdom, on the one hand, and the Governments of Saudi Arabia or of the Yemen, on the other :

(1) The Government of the United Kingdom declare that in the territories of the Arab rulers under their protection within this zone :

- (a) no action shall be taken by the Government of the United Kingdom, which shall be such as to prejudice in any way the independence or integrity of Saudi Arabia or of the Yemen (which both Parties have undertaken to respect in Article 1 hereof), within any territory at present belonging to those States or within any additional territory which may be recognised by the Government of the United Kingdom as belonging to either of those States as a result of any agreement which may hereafter be concluded between the Government of the United Kingdom and the Government of either of them ;
- (b) the Government of the United Kingdom will not undertake, or cause to be undertaken, any military preparations or works other than military preparations or works of a purely defensive character for the defence of the said territories or of the communications between different parts of the British Empire. Furthermore, the Government of the United Kingdom will not enrol the inhabitants of any of these territories, or cause them to be enrolled, in any military forces other than forces designed and suited solely for the preservation of order and for local defence ;
- (c) while the Government of the United Kingdom reserve the liberty to take in these territories such steps as may be necessary for the preservation of order and the development of the country, they intend to maintain the autonomy of the Arab rulers under their protection.

(2) The Italian Government declare that they will not seek to acquire any political influence on this zone.

ARTICLE 7.—The Government of the United Kingdom declare that within the limits of the Aden Protectorate as defined in the Aden Protectorate Order, 1937, Italian citizens and subjects (including Italian companies) shall have liberty to come, with their ships and goods, to all places and ports, and they shall have freedom of entry, travel and residence and the right to exercise there any description of business, profession, occupation or industry, so long as they satisfy and observe the conditions and regulations from time to time applicable in the Protectorate to the citizens and subjects and ships of any country not being a territory under the sovereignty, suzerainty, protection or mandate of His Majesty The

King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India.

ARTICLE 8.—(1) Should either Party at any time give notice to the other that they consider that a change has taken place in the circumstances obtaining at the time of the entry into force of the present Agreement, such as to necessitate a modification of the provisions of the Agreement, the two Parties will enter into negotiations with a view to the revision or amendment of any of the provisions of the Agreement.

(2) At any time after the expiration of a period of ten years from the entry into force of this Agreement either party may notify the other of its intention to determine the Agreement. Any such notification shall take effect three months after the date on which it is made.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

#### ANNEX 4.

#### DECLARATION REGARDING PROPAGANDA.

THE two Governments welcome the opportunity afforded by the present occasion to place on record their agreement that any attempt by either of them to employ the methods of publicity or propaganda at its disposal in order to injure the interests of the other would be inconsistent with the good relations which it is the object of the present Agreement to establish and maintain between the two Governments and the peoples of their respective countries.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

#### ANNEX 5.

#### DECLARATION REGARDING LAKE TSANA.

THE Italian Government confirm to the Government of the United Kingdom the assurance given by them to the Government of the United Kingdom on the 3rd April, 1936, and reiterated by the Italian Minister for Foreign Affairs to His Majesty's Ambassador at Rome on the 31st December, 1936, to the effect that the Italian Government were fully conscious of their obligations towards the Government of the United Kingdom in the matter of Lake Tsana and had no intention whatever of overlooking or repudiating them.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH

CIANO.

## ANNEX 6.

DECLARATION REGARDING THE MILITARY DUTIES OF  
NATIVES OF ITALIAN EAST AFRICA.

THE Italian Government reaffirm the assurance which they gave in their Note to the League of Nations of the 29th June, 1936, that Italy on her side was willing to accept the principle that natives of Italian East Africa should not be compelled to undertake military duties other than local policing and territorial defence.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

## ANNEX 7.

DECLARATION REGARDING THE FREE EXERCISE OF RELIGION  
AND THE TREATMENT OF BRITISH RELIGIOUS BODIES IN  
ITALIAN EAST AFRICA.

WITHOUT prejudice to any Treaty engagements which may be applicable, the Italian Government declare that they intend to assure to British nationals in Italian East Africa the free exercise of all cults compatible with public order and good morals; and in this spirit they will examine favourably any request which may reach them from the British side to assure in Italian East Africa religious assistance to British nationals; and that as regards other activities of British religious Bodies in Italian East Africa in humanitarian and benevolent spheres, such requests as may reach the Italian Government will be examined, the general line of policy of the Italian Government in this matter and the principles of legislation in force in Italian East Africa being borne in mind.

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.

## ANNEX 8.

## DECLARATION REGARDING THE SUEZ CANAL.

THE Government of the United Kingdom and the Italian Government hereby reaffirm their intention always to respect and abide by the provisions of the Convention signed at Constantinople on the 29th October, 1888, which guarantees at all times and for all Powers the free use of the Suez Canal

Done at Rome, in duplicate, the 16th April, 1938, in the English and Italian languages, both of which shall have equal force.

PERTH.

CIANO.



EXCHANGE OF NOTES BETWEEN UNITED KINGDOM  
AND ITALY.

## STRENGTH OF ITALIAN FORCES IN LIBYA.

(a)

*Count Ciano to Lord Perth.*

Your Excellency,

*Rome, April 16, 1938.*

DURING our recent conversations Your Excellency has referred to the question of the strength of the Italian forces in Libya.

I have the honour to inform Your Excellency that the Head of the Government has given orders for a diminution of these forces. Withdrawals have already begun at the rate of 1,000 a week and will be continued at not less than this rate until the Italian Libyan effectives reach peace strength. This will constitute an ultimate diminution of these effectives by not less than half the numbers present in Libya when our conversations commenced.

I avail, &amp;c.

CIANO.

(b)

*Lord Perth to Count Ciano.**British Embassy, Rome,*

Your Excellency,

*April 16, 1938.*

I HAVE the honour to acknowledge the receipt of Your Excellency's Note of to-day's date in which Your Excellency informed me of the intentions of the Head of the Italian Government with regard to the progressive diminution of the Italian forces in Libya.

I shall have pleasure in communicating this information to His Majesty's Government in the United Kingdom.

I avail, &amp;c.

PERTH.

EXCHANGE OF NOTES BETWEEN UNITED KINGDOM  
AND ITALY.

ITALIAN ASSURANCES IN REGARD TO POLICY IN SPAIN, SPANISH POSSESSIONS OVERSEAS AND THE SPANISH ZONE OF MOROCCO ; AND UNITED KINGDOM INTENTIONS CONCERNING THE CLARIFICATION OF THE POSITION OF MEMBERS OF THE LEAGUE IN REGARD TO THE SITUATION IN ETHIOPIA.

(a)

*Count Ciano to Lord Perth.*

Your Excellency,

*Rome, April 16, 1938.*

YOUR EXCELLENCY will remember that, in the course of our recent conversations, I gave Your Excellency certain assurances regarding the

policy of the Italian Government in connexion with Spain. I now wish to reaffirm those assurances and to place them on record.

First, the Italian Government have the honour to confirm their full adherence to the United Kingdom formula for the proportional evacuation of the foreign volunteers from Spain, and pledge themselves to give practical and real application to such an evacuation at the moment and on the conditions which shall be determined by the Non-Intervention Committee on the basis of the above-mentioned formula.

I desire secondly to reaffirm that if this evacuation has not been completed at the moment of the termination of the Spanish civil war, all remaining Italian volunteers will forthwith leave Spanish territory and all Italian war material will simultaneously be withdrawn.

I wish thirdly to repeat my previous assurance that the Italian Government have no territorial or political aims, and seek no privileged economic position, in or with regard to either Metropolitan Spain, the Balearic Islands, any of the Spanish possessions overseas, of the Spanish zone of Morocco, and that they have no intention whatever of keeping any armed forces in any of the said territories.

I avail, &c.

CIANO.

(b)

*Lord Perth to Count Ciano.*

*British Embassy,*

*Rome, April 16, 1938.*

Your Excellency,

IN reply to Your Excellency's Note of to-day's date, I have the honour to take note of the reaffirmation contained therein of the assurances which Your Excellency has already given me, during the course of our recent conversations, regarding the policy of the Italian Government in connexion with Spain. His Majesty's Government in the United Kingdom, to whom I shall not fail to transmit this communication, will, I feel sure, be gratified at its contents. In this connexion I hardly need to remind Your Excellency that His Majesty's Government regard a settlement of the Spanish question as a prerequisite of the entry into force of the Agreement between our two Governments.

I have further the honour to inform Your Excellency that His Majesty's Government, being desirous that such obstacles as may at present be held to impede the freedom of member States as regards recognition of Italian sovereignty over Ethiopia should be removed, intend to take steps at the forthcoming meeting of the Council of the League of Nations for the purpose of clarifying the situation of member States in this regard.

I avail, &c.

PERTH.

EXCHANGE OF NOTES BETWEEN UNITED KINGDOM  
AND ITALY.

TREATY FOR THE LIMITATION OF NAVAL ARMAMENT SIGNED AT LONDON,  
MARCH 25, 1936.

(a)

*Count Ciano to Lord Perth.*

Your Excellency,

*Rome, April 16, 1938.*

I HAVE the honour to inform Your Excellency that the Italian Government have decided to accede to the Naval Treaty signed in London on the 25th March, 1936,<sup>1</sup> in accordance with the procedure laid down in Article 31 of that Treaty. This accession will take place so soon as the instruments annexed to the Protocol signed this day come into force.

In advising Your Excellency of the foregoing I desire to add that the Italian Government intend in the meantime to act in conformity with the provisions of the aforesaid Treaty.

I avail, &c.

CIANO.

(b)

*Lord Perth to Count Ciano.*

*British Embassy,*

Your Excellency,

*Rome, April 16, 1938.*

I HAVE the honour to acknowledge the receipt of Your Excellency's Note of to-day's date in which Your Excellency informed me of the decision of the Italian Government to accede to the Naval Treaty signed in London on the 25th March, 1936, so soon as the instruments annexed to the Protocol signed this day come into force, and in the meantime to act in conformity with the provisions of the aforesaid Treaty.

I shall have pleasure in communicating this decision to His Majesty's Government in the United Kingdom.

I avail, &c.

PERTH.

II.

**AGREEMENT CONCLUDED AT MUNICH ON SEPTEMBER 29,  
1938.<sup>2</sup>**

GERMANY, the United Kingdom, France and Italy, taking into consideration the agreement, which has been already reached in principle for the cession to Germany of the Sudeten German territory, have agreed on the following terms and conditions governing the said cession and the measures consequent thereon, and by this agreement they each hold themselves responsible for the steps necessary to secure its fulfilment:—

<sup>1</sup> Treaty Series No. 36 (1937), Cmd. 5561.

<sup>2</sup> Reprinted from Cmd. 5848 by kind permission of The Controller of H.M. Stationery Office.

1. The evacuation will begin on the 1st October.

2. The United Kingdom, France and Italy agree that the evacuation of the territory shall be completed by the 10th October, without any existing installations having been destroyed and that the Czechoslovak Government will be held responsible for carrying out the evacuation without damage to the said installations.

3. The conditions governing the evacuation will be laid down in detail by an international commission composed of representatives of Germany, the United Kingdom, France, Italy and Czechoslovakia.

4. The occupation by stages of the predominantly German territory by German troops will begin on the 1st October. The four territories marked on the attached map will be occupied by German troops in the following order : the territory marked No. I on the 1st and 2nd of October, the territory marked No. II on the 2nd and 3rd of October, the territory marked No. III on the 3rd, 4th and 5th of October, the territory marked No. IV on the 6th and 7th of October. The remaining territory of preponderantly German character will be ascertained by the aforesaid international commission forthwith and be occupied by German troops by the 10th of October.

5. The international commission referred to in paragraph 3 will determine the territories in which a plebiscite is to be held. These territories will be occupied by international bodies until the plebiscite has been completed. The same commission will fix the conditions in which the plebiscite is to be held, taking as a basis the conditions of the Saar plebiscite. The commission will also fix a date, not later than the end of November, on which the plebiscite will be held.

6. The final determination of the frontiers will be carried out by the international commission. This commission will also be entitled to recommend to the four Powers, Germany, the United Kingdom, France and Italy, in certain exceptional cases minor modifications in the strictly ethnographical determination of the zones which are to be transferred without plebiscite.

7. There will be a right of option into and out of the transferred territories, the option to be exercised within six months from the date of this agreement. A German-Czechoslovak commission shall determine the details of the option, consider ways of facilitating the transfer of population and settle questions of principle arising out of the said transfer.

8. The Czechoslovak Government will within a period of four weeks from the date of this agreement release from their military and police forces any Sudeten Germans who may wish to be released, and the Czechoslovak Government will within the same period release Sudeten German prisoners who are serving terms of imprisonment for political offences.

ADOLF HITLER.  
NEVILLE CHAMBERLAIN.  
ÉDOUARD DALADIER.  
BENITO MUSSOLINI.

*Munich,*  
*September 29, 1938.*

## III.

**TREATY BETWEEN THE MEMBERS OF THE BALKAN  
ENTENTE AND BULGARIA.**

SIGNED AT SALONIKA, JULY 31, 1938.

TAKING into consideration that Bulgaria is attached to a policy of the maintenance of peace in the Balkans and that she is animated by the desire to maintain with the Balkan countries relations of good neighbourhood and confident collaboration and that the countries of the Balkan Entente are animated towards Bulgaria from the same specific spirit and the same desire for co-operation, the undersigned, his Excellency General Metaxas, President of the Council of Ministers, Minister of Foreign Affairs of Greece, in his quality as President in Function of the Permanent Council of the Balkan Entente, acting in the name of all the other members of the Balkan Entente, on one side, and his Excellency Dr. George Kionneivanoff, President of the Council of Ministers, Minister of Foreign Affairs of Bulgaria, on the other side, they declare in the name of the countries that they represent that these countries assume the obligation to abstain in their mutual relations from recourse to force, in conformity with the agreements that each of the States has separately signed in the matter of non-aggression and peace convinced as far as it concerns them that they renounce the application of the dispositions contained in Part IV of the Treaty of Neuilly as well as of the dispositions contained in the convention concerning the delimitation of Thrace signed at Lausanne on July 24, 1923.

# OBITUARY

OF

EMINENT PERSONS DECEASED IN 1938.

## JANUARY.

4. **The Right Hon. Sir George Halsey Perley**, High Commissioner for Canada in London, 1916-22, was born at Lebanon, New Hampshire, U.S.A., on September 12, 1857, son of W. G. Perley, who, a few years later, moved to Canada, became a naturalised British subject, and was M.P. for Ottawa, 1887-90. George Perley was educated at Ottawa Grammar School, St. Paul's School, Concord, N.H., and Harvard University. He then entered his father's lumber business succeeding him as general manager. In 1900 and again in 1902, he contested, unsuccessfully, the counties of Russell and Argenteuil for the Federal Parliament. Eventually he was elected for Argenteuil and sat in three successive Parliaments, 1904, 1908, and 1911. In 1911 he was sworn of the Canadian Privy Council, joined the Borden Cabinet as a Minister without portfolio, and during 1912 and 1913 acted as Prime Minister. In 1914 he came to London as Acting Canadian High Commissioner, the position being made definite in 1916. He was a member of the first Imperial War Cabinet and was one of the Canadian representatives at the Imperial Conference in the same year, 1917. He was also one of the Canadian plenipotentiaries for signing the Peace Treaty, and one of Canada's delegates to the League of Nations at Geneva in 1921. Re-entering Parliament for Argenteuil in 1925 he became Secretary of State in the brief Meighen Administration in 1926, and in 1930 was appointed Minister without portfolio in the Bennett Government, acting as Prime Minister again in 1933, in which year he was sworn of the English Privy Council. In 1932 he had been one of Canada's delegates to the Disarmament Conference. Created K.C.M.G. in 1915 and promoted G.C.M.G. in 1933, he was also a Grand Officer of L'Ordre de la Couronne of Belgium and an honorary LL.D. of Dartmouth. He was twice married; first, to Annie Hespeler, daughter of W. H. Bowlby, K.C., and, secondly, to Emily Colby, daughter of the Hon. Thomas White. Sir George left one daughter.

6. **Sir Joshua Milne Crompton Cheetham**, British Agent and Consul-General in Cairo, 1914-19, was born at Preston on July 9, 1869, and educated at Rossall School, from which he won a scholarship to Christ Church, Oxford, where he took honours in Classics and qualified for an archæological studentship at Athens. Having decided, however, on a diplomatic career, he passed the Civil Service examination and after a few months in the Foreign Office, was sent to Madrid in 1894. Later he held appointments at Paris, Tokio, Berlin, Rome (where he attained the rank of First Secretary, 1905), Rio, and Cairo, to which he was appointed Counsellor in 1910. In the summer of 1914 his chief, Lord Kitchener, went on leave and did not return. Nor did the Khedive, who was in Constantinople. No new appointment was made in Kitchener's place, and for the first six months of the war Cheetham was in full charge. On December 18,

1914, when Egypt was declared a Protectorate, he was made the first Acting High Commissioner, pending the arrival in January, 1915, of Sir Henry MacMahon. During the High Commissioner's absence in February, 1919, when the Nationalists under Zaghlul Pasha revolted and murdered several British officers and men, Cheetham promptly deported Zaghlul and considerably eased the situation until the Milner Commission was sent out in the following autumn. He was promoted to the rank of Minister Plenipotentiary in May, 1918, and in January, 1921, was transferred to Paris, under Lord Hardinge of Penshurst, frequently taking charge of the Embassy besides acting as British Representative on the Ambassadors' Conference. In 1922 he was given an independent appointment as Minister at Berne, after which he went to Athens and, finally, to Copenhagen, retiring owing to ill-health in 1928. For his conduct of affairs following the outbreak of the war he was created a K.C.M.G. He was twice married; first, in 1907, to Anastasia Muravieff, daughter of the Russian Ambassador in Rome; secondly, in 1923, to Cynthia Charlotte, daughter of Sir Horace Seymour. By his first marriage, which was dissolved, he had one son.

19. **Aimé Joseph de Fleuriau**, French Ambassador to the Court of St. James, 1924-33, was born at La Rochelle on January 24, 1870, the son of a former secretary of the French Embassy in London, and entered the diplomatic service in 1895, being posted to Constantinople. When his chief, Paul Cambon, was transferred to London, de Fleuriau accompanied him, and after successive promotions he became Counsellor of Embassy in 1913. Throughout the war he was Cambon's trusted coadjutor, and when the latter retired in 1920, de Fleuriau went as Minister to China, remaining there for four years. In December, 1924, he was appointed Ambassador in London, holding the office until he retired in May, 1933. An enthusiastic advocate of the Entente Cordiale, he belonged to the old school of diplomatists who regarded the envoy as essentially the representative of Government to Government, in contrast with the newer conception of people to people. Outside his profession his chief interests were in poetry and philosophy, and he was the author of "*L'Activité Reflexive*." He was made a G.C.V.O. in 1921 and G.C.B. in 1933, and was honorary doctor of Oxford, Cambridge, Durham, and Bristol. He helped to found the British Institute in Paris in 1926, and in 1935 was appointed one of the French honorary members of the Anglo-French Committee of the Imperial War Graves Commission. His wife died suddenly in October, 1937, leaving one daughter. A director of the Suez Canal Company, he was taken ill while on board ship on his way to Cairo and died in hospital at Ismailia.

21. **William Henry Dyson** ("Will Dyson"), cartoonist, was born at Ballarat, Australia, in 1883, and was educated at Melbourne. Before coming to England he drew for the *Melbourne Punch* and for the *Sydney Bulletin*. During the war he served with the Australian Forces in various capacities before being chosen as a war artist. His early work in London was done for the *Daily Sketch*, but it was as cartoonist to the *Daily Herald* that he was generally known. Keenly interested in the Douglas scheme of social credit, he put his views on the subject into a book entitled "*An Artist Among the Bankers*." In 1910 he married Ruby Lindsay, a member of a distinguished family of Australian artists, who died in 1919, leaving one daughter.

— **The Rev. Dr. Dinsdale Thomas Young**, famous Methodist preacher, was born at Corbridge-on-Tyne on November 20, 1861, son of Dr. William Young, medical officer of health for Malton, in the North Riding of Yorkshire. Before he was 15 he had preached his first sermon; in 1879 he was accepted by the Birmingham Conference, being sent to the Gateshead (Bensham Road) circuit. Nine months later he entered the Theological College at Headingly, Leeds, completing his studies in 1883. His first pastoral charge was at Hornsey in the Highgate circuit, where he remained for four years, transferring to Birmingham

in 1887, and to York three years later, after which he spent five years at Gravel Lane Chapel in the slums of Salford. Wherever he went he attracted large congregations. In 1898 he became Superintendent of the Bayswater circuit and later moved to Nicholson Square Chapel, Edinburgh. Back in London in 1904, he took charge of the Great Queen Street Chapel, and when that was demolished to make way for the Kingsway Hall, he was sent to Welsey's Chapel in City Road. In 1905 he was elected a member of the Legal Hundred and appointed Wesleyan representative to the General Conference of the Methodist Episcopal Church (South) of America. In 1914—the year in which he received the highest honour in the Wesleyan Methodist Church, the Presidency of the Conference—he was asked to take over the development of popular services centred in the new Central Hall at Westminster, and there, Sunday by Sunday, he preached to congregations of over 2,500. In October, 1936, a series of thanksgiving services and meetings were held in the Central Hall to celebrate his diamond jubilee as a Methodist minister. Although his sermons may have seemed old fashioned and his theology decidedly conservative, the glowing evangelical fervour of his message and the obvious sincerity of the man made a deep impression on his audiences. For over fifty years he addressed on an average from eight to ten meetings every week and travelled about 10,000 miles during each year. He married in 1886 the daughter of Alderman Hindmarch, J.P., of Gateshead-on-Tyne, and had three sons and one daughter.

22. **Admiral Sir Allan Frederick Everett, K.C.M.G., K.C.V.O., C.B.**, was born on February 22, 1868, son of Colonel J. F. Everett, of Greenhill, Warminster, and entered the Royal Navy as a cadet in 1881, becoming a midshipman in 1884. He was promoted to sub-lieutenant in 1888, lieutenant in 1891 and to flag-lieutenant under Rear-Admiral Compton Domville in 1894. In November, 1900, he was selected to take charge of the newly established Signal School at Portsmouth, and in the following year was promoted Commander and made Superintendent of Signal Schools. Resuming sea duty in 1904, he served in the Mediterranean and on the China station, being promoted captain in December, 1905. He then returned to his former post at the Signal Schools, occupying this until 1908, when he was given the command of the *Cumberland*, training cruiser for naval cadets. In 1910 he joined the staff of Vice-Admiral Sir George Callaghan as Flag Captain, serving with him in the Home Fleets for four years. When the war broke out and Callaghan was succeeded by Jellicoe, Everett was retained as Captain of the Fleet, in which capacity he served until May, 1915, when he joined the First Sea Lord, Admiral Sir Henry Jackson, as Naval Assistant at the Admiralty. In December, 1916, he became Naval Secretary to Sir Edward Carson, then First Lord. In October, 1918, he was appointed Rear-Admiral commanding the 4th Light Cruiser Squadron, Grand Fleet, and with his flag in the *Calliope* was present at the surrender of the German Fleet. After the Armistice he was stationed in the West Indies until 1921, when he was appointed First Naval Member of the Commonwealth Naval Board in Melbourne, holding the post until 1923. In the autumn of that year he attended the Imperial Conference in London as Chief Naval Adviser to the Australian Prime Minister. On May 1, 1924, he was made Commander-in-Chief on the China station, and after taking up his duties in November resigned on April 4, 1925, owing to ill-health. Promoted to Vice-Admiral in 1922 and to Admiral in 1926, he had been made a K.C.M.G. in 1919 and a K.C.V.O. in 1920. In 1899 he married Michaelangela Katrine, daughter of Captain G. L. Carr, R.N.

30. **Canon Christopher Wordsworth**, Chancellor of Salisbury Cathedral, 1917-28, Church antiquary and scholar, was born at Little Cloisters, Westminster, on March 26, 1848, son of Dr. Wordsworth, afterwards Bishop of Lincoln, and grandson of the poet Wordsworth, and educated at Winchester and Trinity College, Cambridge. Ordained in 1871 he served for a period as Dean and Assistant Tutor of Peterhouse, returning to this post after a year as curate of



Alvechurch, Worcestershire. With his assistant tutorship he combined the curacy of St. Giles', Cambridge, until, in 1877, he accepted the benefice of Glaston, Rutland, where he remained for twelve years. In 1886 he became Prebendary of Liddington in Lincoln Cathedral. Three years later he was appointed rector of Steeple with Tyneham, holding that appointment until collated by his brother, then Bishop of Salisbury, to the important benefice of St. Peter with St. Paul at Marlborough. From 1905 to 1911 he was rural dean. He was installed as Prebendary in Salisbury Cathedral in 1911, and 1917 was collated as Chancellor, resigning in 1928, when he was made honorary chaplain to the Bishop. He was one of the foremost English liturgiologists and wrote an enormous number of valuable books on Church history. Among his publications, which began in his Cambridge days with "Social Life at the English Universities in the 18th Century," and "Scholæ Academicæ: Some Account of the Studies at the English Universities in the 18th Century," were "Mediaeval Services in England, with an Index of Lincoln Ceremonies" (1898), "Lincoln Cathedral Statutes," 3 volumes, 1892-97, "Ceremonies and Processions of the Cathedral Church of Salisbury" (1901), "Ordinale Sarum," 2 volumes, 1901-02, and "Statutes and Customs of the Cathedral Church of Salisbury" (co-editor D. Maclean), 1915. He also edited the "York Horæ" for the Surtees Society, 1920, and contributed many papers to *Archæologia* and the Lincoln Architectural Society's "Transactions." He married in 1874 Mary, daughter of the Rev. Andrewes Reeve, vicar of Kimmeridge, Dorset, and had three sons and three daughters.

31. Sir James Crichton-Browne, pioneer in the treatment of mental disease, was born in Edinburgh on November 29, 1840, son of Dr. W. A. F. Browne, a Commissioner in Lunacy for Scotland, first medical superintendent of the Crichton Royal Institution at Dumfries (hence Sir James's second name), and was educated at Dumfries Academy, Trinity College, Glenalmond, Edinburgh University, and Paris, qualifying at Edinburgh in 1861 and taking his M.D. degree a year later. In 1865 after serving as assistant medical officer successively in Derby, Devon, and Warwick County Asylums, he was appointed medical superintendent of Newcastle-on-Tyne Borough Asylum and lecturer on psychological medicine at the Newcastle College of Science. A year later he moved to Wakefield, where he made his name as medical superintendent of the West Riding Asylum, which became also a great training centre for men specialising in mental disease. In addition he established and edited the "West Riding Asylum Medical Reports," the first British journal of neuropathology, and was co-editor of *Brain*. In 1875 he left his work in Wakefield to become one of the Lord Chancellor's Visitors in Lunacy, retaining the post until 1922. Besides a great number of reports, papers, and addresses on different aspects of public health he published "Education and the Nervous System" (1884), an edition of Kestel's "Overpressure in Schools" (1885), "What We Owe to Alcohol" (1918), "Victorian Jottings," and "What the Doctor Thought." One of the earliest advocates of proper feeding for school children, he summed up his attitude in the words, "Education is no doubt essential, but feeding comes before education and breeding before that." He was knighted in 1886 and held honorary degrees from Edinburgh, St. Andrews, Aberdeen, and Leeds. He was elected a Fellow of the Royal Society in 1883, and from 1889 to 1926 was treasurer of the Royal Institution of Great Britain. He was a former president of the Medical Society of London, the Neurological Society, the Medico-Psychological Association, the National Health Society, and the Sanitary Inspectors' Association, a Chadwick trustee, and a Fellow of the New York Academy of Medicine. He was a director of the Scottish Widows' Fund and of Bovril, Limited. For 45 years he had been a member of the Athenæum. Known as "the orator of medicine," he was one of the last, if not the last, to wear a pair of magnificent Dundreary whiskers. He was twice married; first, in 1865, to Emily, daughter of Dr. Halliday, who died in 1903, leaving one son and one daughter; and secondly, in 1912, to Audrey Emily, daughter of General Sir E. Bulwer.

**FEBRUARY.**

1. **The Most Rev. Charles Frederick D'Arcy, D.D.**, Archbishop of Armagh and Primate of All Ireland, 1920-38, was born on January 2, 1859, son of a descendant of Sir John D'Arcy, Justiciar of Ireland in the reign of Edward III, and was educated at Dublin University, where he took a First Class in Divinity, besides being First Science Scholar and Gold Medallist in Mental and Moral Philosophy. In 1884 he was ordained to the curacy of St. Thomas's, Belfast, and although a Southerner, he found himself immediately in sympathy with the people of Ulster. In 1890 he became rector of Billy, and a few years later of Ballymena, in Antrim, but in 1900 he returned to Belfast as vicar and dean of the new cathedral. He was appointed Bishop of Clogher in 1903, holding that bishopric until 1907 when he was translated to Ossory, Ferns, and Leighlin, in the South. Subsequently he went back to Ulster as Bishop of Down, Connor, and Dromore. In 1919 he was appointed Archbishop of Dublin; ten months later, however, in April, 1920, he succeeded Crozier as Archbishop of Armagh and Primate of All Ireland. A Broad Churchman, the problem of finding a philosophical basis for theology was the subject of most of his writings, which included "Idealism and Theology" (1899); "God and Freedom in Human Experience" (1915); "The Christian Outlook in the Modern World" (1929); and "Providence and the World Order" (1932). His reminiscences under the title "The Adventures of a Bishop" appeared in 1934. He was select preacher or lecturer at Dublin, Oxford, Cambridge, Glasgow, and Durham, and he attended many conferences, including those at Lambeth in 1908, 1920, and 1930, when he was chairman of the committee dealing with "The Christian Doctrine of God." He was a D.D. of Dublin, an honorary D.D. of Oxford and Glasgow, and a Fellow of the British Academy. In 1889 he married Harriet, daughter of Richard Lewis, of Comrie, Co. Down, and had one son and three daughters.

4. **William Wyamar Vaughan**, headmaster successively of Giggleswick, Wellington, and Rugby, was born in 1865, son of H. H. Vaughan, Regius Professor of Modern History at Oxford, and educated at Rugby, New College, Oxford, and the University of Paris. In 1904, after many years as Head of the Modern Side at Clifton, he was appointed headmaster of Giggleswick School, remaining there six years until he became Master of Wellington. In 1921 he returned to his old school, Rugby, as headmaster, retiring in 1931. A strict disciplinarian, he was the first layman to be appointed headmaster both at Wellington and Rugby. He was president of the Modern Language Association in 1915, of the Incorporated Association of Headmasters in 1916, of the Science Masters' Association in 1919, of the Educational Section of the British Association in 1925, and of the International Congress of Secondary Teachers in 1932. In June, 1935, he succeeded Lord Eustace Percy as chairman of the Central Council for School Broadcasting. He had also served on the Consultative Committee of the Board of Education, on the Government Committee for considering the place of science in education, and on the Teachers' Registration Council. At the time of his death he was a member of the Advisory Committee on Education in the Colonies. He was a governor of Giggleswick School and of Dulwich College. He edited Dumas's *Life of Napoleon* and contributed "Religion at School" to "Cambridge Essays on Education." In 1920 he was made M.V.O., and in 1931 received the honorary degree of D.Litt. from Oxford. He was twice married; first, in 1898 to Margaret, daughter of John Addington Symonds, who died in 1925, leaving two sons and one daughter; and secondly, in 1929, to Elizabeth, daughter of John Geldard, of Settle, Yorkshire. Mr. Vaughan died at Agra as the result of a fall in December, 1937, while visiting the Taj Mahal with delegates to the Indian Science Congress.

8. **Prince Nicholas of Greece**, third son of King George I of Greece and the Grand Duchess Olga, daughter of Grand Duke Constantine, was born in January,

1872, and began his military training at the age of 13. In 1890 he obtained his commission as sub-lieutenant of artillery. He served in the Balkan war, being Military Governor of Salonika. In 1913 a lunatic changed the course of Greek history by assassinating his father, King George I, in the street. Prince Nicholas was expelled from Greece in 1917 after his brother, King Constantine, had been forced to abdicate, and remained in exile until the restoration of his nephew, King George II, in November, 1935. While abroad he developed his talent as an artist, specialising in landscapes and still life. Using at first the name of "Nicholas Leprince" to avoid being praised because of his royal birth, he held several successful exhibitions and had four of his paintings accepted by the Paris Salon. He published his autobiography under the title, "Reminiscences of Fifty Years." In 1934 he was made a G.C.B. He married in 1902 the Grand Duchess Helen, daughter of the Grand Duke Vladimir, and had three daughters; the eldest, Princess Olga, married Prince Paul of Yugoslavia in 1923; the second, Princess Elizabeth, married Count Törring-Jettenbach in 1934; and the youngest, Princess Marina, married the Duke of Kent in the same year.

**22. Hugh Lloyd Thomas**, diplomatist and horseman, was born at Abergavenny on April 28, 1888, and educated at Eton and New College, Oxford. In 1912 he entered the Diplomatic Service, being appointed a year later to Constantinople, where his knowledge of Turkish, as well as of several European languages, was of great value. In 1919 he was transferred to Rome, being promoted to First Secretary in 1920. In 1922 he went to Madrid, returning to London two years later as Diplomatic Private Secretary to the Foreign Secretary (Sir Austen Chamberlain), a post which he occupied until 1928. In 1929 he accompanied the Duke of Gloucester to Japan as Secretary to the Garter Mission, after which, in October, 1929, he was seconded from the Foreign Office to act as Assistant Private Secretary to the Prince of Wales (King Edward VIII) with whom he went to South America in 1931 for the opening of the British Empire Trade Exhibition. In February, 1935, now a Counsellor, he went back to the Diplomatic Service, returning to Paris where, in August, he became Minister Plenipotentiary. To the public at large, however, he was better known as a bold and experienced horseman. In 1932 he won the Grand Sefton Steeplechase at Aintree on his horse Destiny Bay, which two years later he rode in the Grand National. He had intended riding in the Grand National of 1938 but was killed when his horse Periwinkle II fell in the Harrington Hunters' Steeplechase at Derby. Previously he had had riding accidents which resulted in a badly injured neck and in a broken collarbone. He was made a C.V.O. in 1929. In 1916 he married the Hon. Guendaline Ada Bellew, and had one son and three daughters.

**23. Seymour Parker Gilbert**, U.S.A. Agent-General for reparation payments in Germany, 1924-30, was born at Bloomfield, New Jersey, on October 13, 1892, and educated at Rutgers College and the Harvard Law School, graduating LL.B. in 1915, after which he joined the law firm of Cravath & Henderson in New York. Rejected from the Army on grounds of health, in the summer of 1918 he went to Washington and joined Russell C. Leffingwell, then Assistant Secretary to the Treasury, as a member of the War Loan Staff, acting, with others, as legal counsel in the Treasury's war loan operations. After the Armistice he became senior counsel, and in July, 1920, he succeeded Mr. Leffingwell as fiscal Assistant Secretary, serving successively under McAdoo, Glass, Houston, and Mellon. The latter had the post of Under-Secretary specially created for him in 1921, and he had charge of a 7,000 million dollar refunding plan. In 1923 he resigned, rejoining the firm of Cravath & Henderson. In September, 1924, he succeeded Owen D. Young as permanent Agent-General for reparation payments under the Dawes Plan, and he also drew up proposals for the revision of the Dawes Plan which became known as the Young Plan. In 1930 he returned to America and six months later was made a partner in the firm of J. P. Morgan & Company. He received French, Belgian, and Italian decorations, and

honorary degrees from Harvard and Columbia. In 1924 he married Louise Todd, of Louisville.

24. **Thomas William Francis Gann**, explorer, was born at Murrisk, Co. Mayo, in 1867, and educated at the King's School, Canterbury, and the Middlesex Hospital, London, where he qualified as M.R.C.S. and L.R.C.P. in 1890. Soon afterwards he went to Central America in charge of a medical expedition to relieve the sufferers from an earthquake in Guatemala. Entering the service of the Government of British Honduras at Belize, he became principal medical officer of the Colony and a member of the Legislative Council. With an interest in the problems of tropical medicine and a taste for archæology he made frequent journeys into the interior to look for the ruins of ancient Maya civilisation, and in this way discovered the cities of Tzibanche, Ichpaatun, and Coba. Partly in consequence of his reports the British Museum sent out expeditions under Mr. Joyce in 1926 and 1928 which carried out excavations at Lubaantun, Pusilhà, and Minanhà. While the official reports on these expeditions were published by the British Museum, Gann later described them in a more popular manner in a series of addresses at Liverpool University as Lecturer on Central American Archæology. For his official assistance to the crews of ships of the United States Navy during the war he was formally thanked by the U.S. Secretary of State. In 1926 he represented the British Government at the Americanists Congress in Rome. His numerous books, the work of an explorer rather than of an archæologist, included "Maya Indians" (1918); "Mystery Cities of Honduras" (1925); "Ancient Cities and Modern Tribes, Maya Cities—a record of Adventure and Exploration in Central America" (1926); "A History of Maya" (with J. Eric Thompson, 1931); "Maya Indians of Southern Yucatan and Honduras" (Bulletin, Smithsonian Institute), and "Mexico from the Earliest Times to the Conquest" (1936). In 1929 he married Mary, daughter of Robert Wheeler, of Hazlemere, Bucks.

## MARCH.

1. **Gabriele D'Annunzio**, Prince of Montenevoso, Italian poet, novelist, dramatist, soldier and patriot, was born on March 12, 1863, and educated at Prato in Tuscany and at the University of Rome, where he was welcomed as the author of "Canto Nuovo" (1882); poems animated by the wild spirit of his native Abruzzi, which found expression again in some short stories. "Il Piacere" (1889), the first of his novels, containing many beautiful descriptions of Papal Rome, was followed by others remarkable chiefly for the beauty of individual passages, one of them, "Il Fuoco" (1900), creating no small scandal owing to its cruel treatment of the actress, Eleonora Duse, then past her prime. "Notturmo" (1921), regarded by both author and critics alike as a masterpiece, was written at Venice in diary form during temporary blindness. D'Annunzio continually fell under various literary influences, most notably that of Nietzsche, against which the Pope warned the faithful when the national edition of D'Annunzio's works was published under the patronage of the King of Italy and Signor Mussolini in 1928. All his works had been placed on the Index. Above all he was a lyric poet, reaching his zenith in the "Laudi del Cielo, del Mare, della Terra e degli Eroi." In the theatre he was moderately successful with the grim story of *La Figlia di Jorio* and *La Nave* (1908). Constantly embarrassed by lack of money in his endeavour to live the life of a Renaissance nobleman, in 1910 he fled from his creditors to a villa near Arcachon and was still in exile when the Tripoli war broke out. Filled with unbounded enthusiasm he wrote off the fourth of the "Laudi," "Merope," the "Canzoni della Gesta d'Oltremare" (1912), and found himself at last hailed as a national poet, a worthy successor to Carducci. In 1915 he was back in Italy delivering fiery speeches which did incalculable service in inducing Italy to throw in her lot with the Entente. In spite of his age he re-joined the Army, serving first in the cavalry,

then with the infantry in the Carso trenches, and finally, after taking part as a naval officer in the famous torpedo-boat raid on Buccari, joined the air service, quickly establishing a reputation for bravery and receiving many decorations. In 1916 he lost his left eye. The epilogue to "*La Leda senza Cigno*," written during his convalescence, described some of his experiences during the war. After the Armistice he was made Director of Civil Aviation in Sardinia. But there was other work for him to do, and feeling that Italy had been robbed of her due at the Peace Conference, he attacked the Allied statesmen with extraordinary virulence. His Imperialist ideas now knew no bounds. In September, 1919, when the inhabitants of Fiume found that their city was to be given to the newly-created Kingdom of Yugoslavia they appealed to D'Annunzio for help. At the head of a small band of troops, he entered Fiume and for fifteen months, in spite of a Government blockade, he ruled as a medieval despot, calling himself the Regent of the Quarnero, and drawing up a remarkable constitution. On November 12, 1920, Giolitti and Count Sforza carried through the Treaty of Rapallo which recognised the independence of Fiume, but D'Annunzio, who was busy issuing picturesquely worded manifestos, signing autograph albums, and posing for photographs, refused to recognise the treaty, and the Government had no alternative but to remove him by force. After the city had been bombarded by the Italian Fleet and D'Annunzio had been grazed by a shell-splinter, he suddenly surrendered on the plea that the Italian people were not worth fighting for, since they were more interested in their Christmas dinners than in him, and retired into private life. He was not, however, inactive, and with his sympathies again towards Socialism, he issued many manifestos to his "peasants, labourers, sailors, and railwaymen." But his influence waned in favour of Fascism, and in 1923 there was a reconciliation between him and Mussolini. In 1924 the King of Italy conferred on him the title of Prince of Montenevoso, in recognition of his efforts to secure Italy's Eastern frontier, of which Montenevoso is the highest point. In 1929, under a local anæsthetic, he watched himself being operated upon for appendicitis, composing some verses on the occasion. Keenly interested in aviation and motoring, he gave a cup to the Marine Motoring Association, to remain in England as long as England should hold the world speed record. His last years were spent in revising his sixty-four volumes, and in 1935 he published his autobiography under the title of "*Hundred and Hundred and Hundred and Hundred Pages of the Secret Book of Gabriele D'Annunzio Tempted to Die*." He had not been in Rome since the accession to power of Fascism, although he was nominated president of the Italian Academy in the autumn of 1937. Said to have had innumerable love affairs in spite of his unattractive appearance, he married in 1883 the Duchessa Maria Gallese, and had two sons. Full of contradictions, a dilettante who cheerfully endured hardship, a poet who threw bombs, he was, next to Mussolini, the most conspicuous Italian personality of his generation.

2. **Sir Spencer Harcourt Butler**, a distinguished Indian Civil Servant, was born on August 1, 1869, son of S. P. Butler, Conveyancing Counsel to the Office of Works, and educated at Harrow and Balliol College, Oxford. Entering the Indian Civil Service in 1888 he went out to what later became the United Provinces of Agra and Oudh, and for the next seven years was a Settlement Officer. In 1901 he was appointed Secretary of the Famine Commission, drafting in an incredibly short time its report, which remained the standard authority on famine prevention and relief administration. As Deputy Commissioner of Lucknow he inspired many town-planning improvements and much reconstruction in the ancient capital of Oudh, where, as in Rangoon, a statue to him was raised by public subscription. Still under 40, he was chosen by Lord Milner in 1907 to be Secretary of the Foreign Department, three years later being selected the first holder of the Education Membership set up by Lord Minto. In 1915 he went to Rangoon as Lieutenant-Governor of Burma, where he developed for the use of the Allies the output of wolfram concentrates, formerly a German

monopoly, and raised substantial sums for the provision of a teaching university. With only half of his five-year term completed he was selected over the heads of thirty seniors to be Lieutenant-Governor of the United Provinces, being designated Governor when the dyarchical system provided for in the Act of 1919 came into operation. Early in 1923 he returned to Burma as the first Governor. The most spectacular feature of Butler's second Burma term was his journey, in 1925, into the land of the savage Nagas, with the object of ending the slavery and human sacrifices practised in the strip of unadministered territory bordering on the Hukwang Valley. On leaving Rangoon in 1927, he accepted the chairmanship of the Indian States Committee, which reported in 1929. A director of the National Provincial Bank, the P. and O. Company and other commercial concerns, he was appointed chairman of the governing body of the School of Oriental Studies in 1931, in which year he published "India Insistent." He was made a C.I.E. in 1901, and K.C.S.I. in 1912; was a Knight of Grace of St. John of Jerusalem; held honorary doctorates from Oxford and several Indian Universities; was a life member of the American Museum of Natural History; and was one of the few Englishmen to be elected honorary taluqdars (barons). In 1894 he married Florence, daughter of F. Nelson Wright, I.C.S., and had one son.

2. **Sir Robert Arthur Johnson**, Deputy Master and Controller of the Royal Mint, 1922-38, was born on March 26, 1874, son of the Rev. Arthur Johnson, Fellow and Chaplain of All Souls College, and educated at Winchester and New College, Oxford, where he took a first class in history and was president of the Union. Beginning his career as a junior examiner in the Scottish Education Department, he was transferred to the Customs and Excise in 1910 and was lent to the National Health Insurance Commission in 1912. After being called to the Bar, he was appointed a Committee Clerk in the Customs in 1919 but was almost immediately transferred to the Treasury as a principal, being made an Assistant Secretary in 1920. Two years later he was appointed Deputy Master and Controller of the Royal Mint. By visits to foreign countries he did much to extend the work of the Mint, which was rarely without an order in hand from abroad. A colonel in the Territorial Army, and the creator of the 9th Hampshire Regiment, he had been a member of the Volunteer Forces since 1889. For his services in the South African War he received the Queen's medal with five clasps, and during the Great War he was mentioned in despatches and made a C.B. He was made a K.B.E. in 1928 and a K.C.V.O. in 1930. In 1903 he married Kathleen Eyre, daughter of Sir Walpole Greenwell, Bt., and had two daughters.

4. **Alfred Edward Stamp, C.B.**, Deputy Keeper of Public Records, 1926-38, was born on January 1, 1870, and educated at Mercers' School, St. Paul's School, and Trinity College, Cambridge. He was fourth wrangler in 1891, and proceeded to his M.A. in 1895. Entering the Public Record Office in 1893 he became secretary in 1918 and Deputy Keeper in 1926. From 1912 to 1926 he was secretary of the Historical Manuscripts Commission, and he was also vice-president of the Royal Historical Society, 1928-31 and 1933-38; a member of the committee of the Institute of Historical Research since 1923; of the council of the Selden Society since 1928; of the council of the Society of Antiquaries, 1933-35; and of the committee on records of membership of the House of Commons in 1929. He was closely associated under Lord Hanworth with the foundation of the British Records Association. Important among his publications were, "The Disputed Revels Accounts" (1930), a paper originally read before the Shakespeare Association; the part relating to King's Hall in the first volume of the Admission Registers of Trinity College, Cambridge; and the publication *in extenso* of the Close Rolls of the Chancery of Henry III from 1227 onwards in fourteen volumes. A Freeman of Alnwick, Northumberland, by inheritance, he was made C.B. in 1931. In 1904 he married Edith Florence, daughter of T. C. Guthrie, of Folkestone, and had one son and one daughter.

6. **Sir Reginald Fleming Johnston, K.C.M.G.**, Commissioner for Wei-hai-wei, 1927-30, Professor of Chinese at the School of Oriental Studies in London, 1931-37, was born in 1874 and educated at Magdalen College, Oxford. In 1898 he entered the Civil Service of the Hong-Kong Government, and after serving as private secretary to the Governor, and as Acting Clerk of Councils and Assistant Colonial Secretary, he became in 1904 Secretary to the Government of Wei-hai-wei, which had been leased to Great Britain in 1898. In 1919 he was appointed tutor to the Manchu Emperor P'u Yi, and in 1926 secretary to the British China Indemnity Delegation, under Lord Willingdon. A year later he returned to Wei-hai-wei as Commissioner, retiring in 1930 when control of the province reverted to the Chinese Government. From 1931 to 1937 he was Professor of Chinese at the School of Oriental Studies in London. He travelled extensively in China, his most notable journeys being from the French province of Tongking to Bangkok, and from Peking to Mandalay. Of the latter, occupying the best part of a year, during which he was accompanied by a bull terrier, he left a description in "From Peking to Mandalay." Other publications included "Lion and Dragon in Northern China" (1910); "Buddhist China" (1913), "Letters to a Missionary" (1918); and "Twilight in the Forbidden City" (1934), an account of his experiences while tutor to the Emperor. He was made a C.M.G. in 1928, a C.B.E. in 1918, promoted to K.C.M.G. in 1930, and was an honorary LL.D. of Hong-Kong University. He was unmarried.

8. **Dr. Gilbert Slater**, economist and authority on Indian village life, was born at Plymouth on August 27, 1864, and educated at St. John's College, Cambridge, and the University of London, where he took a Doctorate in Economics in 1905, in which year he was the first Labour Mayor of Woolwich. From 1909 to 1915 he was Principal of Ruskin College, Oxford. From there he proceeded to the University of Madras to occupy the newly created Chair of Indian Economics. In 1921 on the invitation of Lord Willingdon he left the University to become Publicity Officer for Madras. He was also a member of the Legislative Council, 1921-22. In 1923 he returned to England to lecture at the London School of Economics and elsewhere. While in India he made some valuable studies of Indian village life which were published under his editorship in 1917, with the title of "Some South Indian Villages." His other works included, "The Dravidian Element in Indian Culture" (1923); "Southern India: Its Political and Economic Problems" (1936); "The English Peasantry and the Enclosure of Common Fields" (1907), developed from the thesis for his degree; "Making of Modern England" (1913); "Peace and War in Europe" (1915); "Poverty and the State" (1930); "The Growth of Modern England" (1932), and "Seven Shakespeares" (1931). He married in 1897 Violet, daughter of Joseph Oakeshott, of Sunderland, and had three sons.

16. **Major Emil Fey**, Vice-Chancellor of the Austrian Republic, 1933-35, was born in Vienna on March 23, 1886. A man of iron will and a born soldier, he served during the war with the famous Deutschmeister Infantry Regiment, was severely wounded, and received the much coveted Maria-Theresa Order. Afterwards he was engaged in the organisation and leadership of ex-Servicemen's associations until, in 1930, he became head of the Vienna Heimwehr, which he founded to check the Socialists and Communists. When the Dollfuss administration was formed in 1932 he became Secretary for Public Security, and in the following year was appointed Vice-Chancellor. After the murder of Dr. Dollfuss on July 25, 1934, Fey, who had been with him in the Chancellery, was charged by his rival for the Heimwehr leadership, Prince Starhemberg, with "unexplained conduct," but was subsequently completely cleared by the Austrian Military Court of Honour. He retained his position when the Schuschnigg cabinet was formed on July 30, but was driven out in October, 1935, and soon afterwards resigned the leadership of the Heimwehr, which now came under the control of Prince Starhemberg. In 1936, however, the position between Fey and Starhemberg

was reversed, but when Dr. Schuschnigg became virtually dictator of Austria and the Heimwehr was dissolved, they both retired into the background, Fey being appointed president of the Danubian Steam Navigation Company. A few days after the Nazi occupation of Austria Major Fey shot his wife and son and then committed suicide.

19. **Alexander Malinoff**, President of the Sobranje and former leader of the Democratic Party in Bulgaria, was born on April 8, 1867. The first 20 years of his life were spent in Russia, where he graduated as a law student at the University of Kieff. In 1901 he was elected to the Sobranje, becoming chief of the Democratic Party on the death of Petko Karaveloff, and Prime Minister for the first time on January 16, 1908. Continuing to play a prominent part on Bulgarian politics, he again became Prime Minister on June 21, 1918, and on September 30 made an Armistice with the Allies, but a little later he resigned as a protest against the occupation of the Dobrudja by the Rumanians. He was arrested when Stambolisky's Agrarian Government came into power and remained in prison until 1923. In June, 1931, he formed a cabinet for the third time, a Coalition Government composed of Democrats, Agrarians, Liberals, and Radicals, but stipulated that his tenure should not be long. Shortly after his final resignation in October he was made President of the Sobranje. In 1933 he was a member of the Bulgarian Delegation to the World Economic Conference in London.

23. **The Maharaja of Patiala** (Lieutenant-General his Highness Maharajah-hiraja Sri Sir Bhupindar Singh, Mahindar Bahadur, G.C.S.I., G.C.I.E., G.C.V.O., G.B.E.) was born on October 12, 1891, son of Maharaja Rajindra Singh, who died in 1900, aged 28, and was educated at the Aitchison Chiefs' College, Lahore. In 1909 he received full ruling powers over Patiala, a state of some 6,000 square miles, with a population of 1,625,000. Continuing the family tradition, notably in the Indian Mutiny, he placed his resources at the disposal of Britain during the Great War, and in 1918 visited England as representative of the ruling princes at the Imperial War Conference and on the Imperial War Cabinet. In 1925 he represented the Indian princes at the League of Nations Assembly at Geneva, and in the following year was elected Chancellor of the Chamber of Princes, being re-elected by ballot each year until 1930, when he headed the delegation to the first session of the Round Table Conference. In June, 1931 he caused much surprise by his manifesto against "a now-fangled Federalism," and for a time associated himself with the Princes who favoured Confederation, but later he returned to the orthodox view and was again Chancellor of the Chamber from 1933 to 1936. The story of his Chancellorship was published in K. M. Panikkar's "The Indian Princes in Council" (1936). In 1922 he was appointed honorary A.D.C. to King George V, and in that capacity he attended the Jubilee celebrations in 1935. An all-round sportsman, he captained the Indian cricket team which visited England in 1911. His portrait in Durbar regalia, with jewels valued at 6,000,000*l.*, was painted by F. O. Salisbury. His heir, the Yuvraj of Patiala, was born in 1913.

26. **Gordon McNeil Rushforth**, an authority on Roman and English archæology, was born on September 6, 1862, and educated at Merchant Taylors' School, gaining an open scholarship at St. John's College, Oxford, in 1881. After taking his degree he studied for the Bar, obtaining a studentship at the Inner Temple, and then returned to Oxford to become Vice-Principal of St. Mary's Hall in 1893 and classical tutor at Oriol College in 1897. On the foundation in 1900 of the British School at Rome he was invited to become the first Director, remaining there until 1903, when he came back to England and settled at Malvern. There he spent many years supervising the releading of the medieval windows in the Priory Church. He also undertook a similar task for the choir clerestory windows of Tewkesbury Abbey. His writings included, "Medieval Christian Imagery as illustrated by the painted windows of Great Malvern Priory Church" (1936),



a monument of hagiological research; papers in the *Transactions of the Bristol and Gloucestershire Archæological Society* and other antiquarian societies; the sections on Art in the "Legacy of Rome"; and "Mediæval England" (1924); a life of Carlo Crivelli in Bell's "Great Masters" series (1900); and a translated edition of Rivoira's "Lombardic Architecture" (1910 and 1926). He also initiated the *Papers of the British School at Rome*, with an article on the Church of Santa Maria Antiqua.

28. Colonel Edward Mandell House, who came into prominence as the friend and confidential adviser of President Wilson, was born at Houston, Texas, on July 26, 1858, and educated at Cornell University, which he left without attempting to take a degree. Marrying almost immediately afterwards, he settled, with a modest income, in Austin, Texas, and for the next twenty years contented himself in the political field with being the "maker" of governors. An ardent Democrat, he first met Woodrow Wilson, then Governor of New Jersey, in 1911, and from the outset each man realised that the one was the complement of the other. During the early days of Wilson's administration, House became a kind of agency through which ideas and requests were sifted before being passed on for the President's consideration, to the discomfiture of those who held regular posts in the Government. In 1913, with an inkling of coming events, he went to Europe on a mission of inquiry, and with the sole credential that he was a personal friend of the President, he interviewed the Kaiser, Sir Edward Grey and others in high places, everywhere being received with the utmost confidence. Feeling sure that war was inevitable, he constantly urged the President to prepare, but for a long time his advice was unheeded. When, however, America did enter the war, House, retaining his rôle of personal adviser, became the direct representative of the President in Europe. At the Peace Conference itself he acted for the first time in an official capacity, as Commissioner Plenipotentiary, and continued as a delegate after Wilson had returned to the United States. About this time observers noted a slight break in the apparently perfect confidence which had existed between them, but there was no sign of friction when they parted in Paris on June 29, 1919, never to meet again. In August, in consequence of a newspaper story of a personal breach, Wilson replied to a cable from House: "Am deeply distressed by malicious story about break between us and thank you for message about it. Best way is to treat it with silent contempt." The illness of both soon afterwards may have prevented a further meeting, but a letter from House in November urging the President to accept the Senate's reservations to the Peace Treaty remained unanswered, and on regaining his health he was not called to Washington. Subsequently, however, House received messages from Wilson, but it was noticed that they were signed "Sincerely and faithfully yours," instead of "Affectionately," as formerly. What prompted the close friendship between the two men and what brought it to an untimely end was never revealed, and in his "Intimate Papers"—edited by Professor (later President) Seymour of Yale—House spoke of the separation as "a tragic mystery." Although universally known as Colonel House, he had had no military experience, the title being given to him by Governor Hogg, of Texas, for political services.

## APRIL.

1. Sir Hyde Clarendon Gowan, Governor of the Central Provinces of India, 1933-38, was born at Sydney, New South Wales, on July 4, 1878, and educated at Rugby where he was Senior Classical Scholar, and at New College, Oxford. Entering the Indian Civil Service, he went, in 1902, to the Central Provinces and remained there for the whole of his service, except for a few months in 1908, when he was Under-Secretary to the Government of India in the Commerce and Industry Department. He was Under-Secretary to the Government of the Central Provinces from 1904 to 1908, and Financial Secretary from 1918 to 1921 and

from 1925 to 1926. From 1920 to 1925 he was lieutenant-colonel commanding the Nagpur Rifles, Indian Auxiliary Force. He was Chief Secretary of the Government from March, 1927. On two occasions he served as temporary Member of the Governor's Executive Council, being confirmed in the appointment in 1932. A year later he succeeded Sir Montagu Butler as Governor. His term of office should have ended in September, 1938, but early in the year he resigned on the ground of ill-health. Reaching England on March 25, he died a few days later in the Masonic Hospital, London. A keen Freemason, he was P.S.G.D. of the Grand Lodge of England. He was made a C.I.E. in 1928, C.S.I. in 1932, and K.C.S.I. in 1933. In 1905 he married Edna Brown, of Mere Oaks, Wigan, and had three sons.

11. **The Rev. John Christian Pringle**, Secretary (1913-19, and again 1925-36) and Director and Consulting Secretary (1936-38) of the Charity Organisation Society, was born at Edinburgh on August 27, 1872, son of a Writer to the Signet and maternal nephew of Dr. Leander Starr Jameson, and educated at Winchester and Exeter College, Oxford. In 1896 he entered the Indian Civil Service, being appointed to Sind, but about five years later he resigned to become a student at Cuddesdon, being ordained deacon in 1902 and priest in 1903. He was a curate in Poplar and in Hackney from 1902 to 1907, and rector of St. George-in-the-East, 1919-25. From 1909 to 1912 he was Professor of English at the Hiroshima Higher Normal College, Japan. During the war, at the age of 46, he was a gunner in the Royal Garrison Artillery. From 1919 to 1932 he was examining chaplain to the Bishop of Chester. In 1906-07 he was expert investigator under the Royal Commission on Poor Laws and Relief of Distress. In 1930 he was co-opted a member of the Public Assistance Committee of the London County Council; and was vice-president of a local committee for Public Assistance. Since 1915 he had been honorary secretary of the Association of Voluntary School Care Committee Workers. He married Constance Mary, daughter of H. Warburton.

12. **Fedor Ivanovitch Chaliapin**, probably the greatest operatic artist of his generation, was born in Russia on February 1, 1873. Little was known of his early life, except that at one period he worked as a shoemaker and at another as an outside porter at a railway station. At the age of 17 he was singing in a local opera company, and by the time he was 23 had attracted the attention of Mamontoff, who engaged him for his private theatre at Moscow. Chaliapin scored great successes in Rimsky-Korsakov's *Ivan the Terrible*, Borodin's *Prince Igor*, and Boito's *Mefistofele*, but his fame rested chiefly on the name part in Moussorgsky's *Boris Godounov*. In 1932 he appeared in a film, *Don Quixote*. His memoirs, "Pages from My Life," appeared in 1927, and "Man and Mask" in 1932. He died in Paris and was buried at the Batignolles Cemetery in the presence of Mme. Chaliapin, his two sons, and five of his eight daughters.

16. **Bertram Wagstaff Mills**, circus proprietor, was born in London on August 11, 1873, the son of a coach-builder whose business he entered at the age of 15. As a boy he played the cornet in a Salvation Army band. At the end of the war (during which he served with the R.A.S.C.) uncertain of his future plans, he happened to visit a circus at Olympia. Irritated by its deficiencies, he rashly remarked to Lord Woolavington, "I'd eat my hat if I could not put on a better show than that." The challenge was accepted, and he set to work to create the Bertram Mills Circus, which was presented at Olympia every Christmas since 1920. For the five weeks' season the weekly expenses ranged between 15,000*l.* and 20,000*l.*, and about 60,000*l.* was spent before each circus opened. In 1929 he started a Tenting Circus, which toured the country each year from April to October. This cost 40,000*l.* to launch, with weekly expenses amounting to 2,500*l.* At Olympia, 4,000 people were employed, and there were about 1,800 men and women in scores of callings on the permanent salary list. Lord Lonsdale had

been president of the Circus since 1921, and Dame Laura Knight frequently travelled with it in order to draw inspiration for her paintings, as did also the writer, Lady Eleanor Smith. Mills was a past president of the Hackney Horse Society and a successful exhibitor at the Richard Horse Show, to which he drove in his "Old Times" London to Brighton stage coach. He was the holder of the Judge Moore Memorial Gold Challenge Cup which he had won three years. From 1934 until his death he was president of the Showmen's Guild. He was a member of the London County Council since 1928, being chairman of the Entertainments Licensing Committee, 1933-34; of the Sunday Entertainments Sub-Committee, 1931-34; and of the Inspection of Films Sub-Committee, 1930-34. Since 1934 he had been a member of the Special Consultative Committee of Experts of the British Board of Film Censors. In 1901 he married Ethel, daughter of W. Notley, of Thorndon, Suffolk, and had two sons.

18. **Sir Richard Terry**, musical composer, scholar, and critic, Director of the Music at Westminster Cathedral, 1901-24, was born at Ellington, near Newcastle-on-Tyne in 1865, his mother being a member of the Runciman family, and brought up among shipping and seafaring people, which no doubt inspired his volume of "Sailor Shanties" (1921). He was educated at Cambridge, where he was choral scholar of King's College, and obtained his first official post, as organist and choir-master, at Elstow School in 1890. Two years later he was appointed organist and choirmaster at St. John's Cathedral, Antigua, where he remained until 1896 when, having joined the Roman Catholic Church, he returned to England to accept a similar appointment at Downside Abbey. There he studied the ancient music of the Church, scored and edited for the Press examples of the great English masters, the series of "Downside Masses and Motets" being the first-fruits of his efforts. In 1901 he was appointed the first musical director of Westminster Cathedral, retaining the post until 1924. During those years he initiated a series of concerts of Bach's music in the Cathedral Hall, was an adjudicator at competitive festivals all over the country, and spent a good deal of time as musical critic for various weekly papers. When the Carnegie Trust of the United Kingdom decided to publish an authoritative *corpus* of Tudor Church music on the lines of the German "Denkmäler" series, Terry was the obvious choice as editor-in-chief. An honorary Doctor of Music of Durham University, he was knighted in 1922. His wife died in 1932, leaving one son and one daughter.

19. **Sir Henry Newbolt**, poet and man of letters, was born on June 6, 1862, at Bilston, in the Black Country, where his father was vicar, and educated at Clifton and Corpus Christi College, Oxford. Called to the Bar in 1887, he practised for twelve years. His literary work began with a Napoleonic novel, "Taken from the Enemy," and a five-act tragedy in blank verse, "Mordred," neither of which made much impression. But he was not long in discovering his true vein. At Andrew Lang's suggestion the verses called "Admirals All" were printed in *Longmans' Magazine*, and in 1896, at a moment of political excitement, "Drake's Drum" was published in the *St. James's Gazette*. A year later, with the appearance of twelve spirited pieces under the title, "Admirals All" he leaped into fame. Many other volumes followed: "The Island Race" (1898); "Stories from Froissart"; "The Sailing of the Long Ships"; "Poems Old and New"; "Book of Cupid"; "Book of the Thin Red Line"; "Book of the Happy Warrior"; "Book of Good Hunting"; and the "Book of the Grenvilles." In 1900, the Bar practically abandoned, he became editor of John Murray's short-lived *Monthly Review*. With the publication of "The Year of Trafalgar," produced for the Trafalgar centenary, he added to his reputation of naval poet that of naval historian, and subsequently was appointed to complete the work of Sir Julian Corbett as official naval historian of the war. He also wrote an unofficial naval history; a book on submarines; a history of the Oxfordshire and Buckinghamshire Light Infantry; and edited "New Paths on Helicon." From 1911 to 1921 he was Professor of Poetry in the Royal Society of Literature. He

was knighted in 1915, and made a Companion of Honour in 1922. In 1889 he married Margaret, daughter of Arthur Duckworth, of Orchardleigh, near Frome.

19. **Alexander Bell Filson Young**, author and war correspondent, was born at Ballyeaston, Ireland, son of the Rev. William Young, in 1877. At the age of 23 he went to the South African war as special correspondent of the *Manchester Guardian*. Returning to England in 1901, he worked on a number of papers and did much free lance journalism. When the Great War began he assisted in organising the Australian Hospital, of which he was honorary secretary, and went with it to France. In October, 1914, he obtained a commission as lieutenant, R.N.V.R., and from November until April, 1915, was on the staff of Vice-Admiral Sir David Beatty (afterwards Admiral of the Fleet, Lord Beatty) in H.M.S. *Lion*. In 1916 he became a correspondent with the British Expeditionary Force in France, going, in 1917, to Spain and Portugal, where he served as special correspondent for *The Times*, retaining the post until 1919. From 1921 to 1924 he was editor of the *Saturday Review*. Latterly he had devoted his talents to broadcasting and, besides writing many talks, he devised the "Foundations of Music" and the Bach Cantata series for the B.B.C. He published more than 20 books on a large variety of subjects, including notable trials, such as Crippen and Seddon; on motoring, "The Happy Motorist"; on art, "Venus and Cupid, an impression in prose after Velazquez in colour"; on his war experiences, "The Relief of Mafeking" (1900) and "With the Battle Cruisers" (1921); on the Titanic disaster, "Titanic" (1912); "Shall I Listen?" (1933), studies in the adventure and technique of broadcasting; and "Growing Wings" (1936), from broadcast talks of his experiences in learning to fly.

24. **Sir Edward Guy Dawber, R.A., F.R.I.B.A.**, founder of the Council for the Preservation of Rural England, was born in 1862 at King's Lynn, Norfolk, and educated there and at the Royal Academy Schools. After being articulated in King's Lynn and acting as assistant to Sir Thomas Deane, in Dublin, he entered the office of Sir Ernest George, R.A., the training ground also of Sir Edwin Lutyens, R.A., Sir Herbert Baker, R.A., and Professor S. A. Adshead. In 1887, suffering from eye-strain, he was sent to Gloucestershire to act as clerk of works to Messrs. George & Peto in the building of Batsford Park for Mr. A. B. Freeman-Mitford (afterwards the first Lord Redesdale). Dawber began practice in the village of Bourton-on-the-Hill, and while there designed houses such as Burdocks, Fairford, Nether Ewell Manor, Bibswork Manor, near Broadway, and Eyeford Park. Retaining his Gloucestershire connexion, in 1891 he went to London and opened an office in Buckingham Street, Adelphi. Among the best examples of his work were Heath Lodge, Headley, and Tuesley Court, both in Surrey; Stowell Hill, Somerset; Caldry Manor, Cheshire; Conkswell Grange and Hemptworth Lodge, Wiltshire; and Wiverton Hall, Norfolk. He also designed many country banks, as well as the War Memorial, Northiam, Sussex, and St. George's Memorial Chapel, Ely Cathedral. An accomplished landscape draughtsman, two of his water-colours, "Gerona, Spain," and "Dinkelsbühl, Bavaria," were exhibited in the 1932 Royal Academy, where he also had a drawing for the north quadrangle of Foord Almshouses, Rochester. He was made A.R.A. in 1927, elected a Royal Academician in 1935, and knighted in 1936. In 1928 he was awarded the Royal Gold Medal of the R.I.B.A., the highest architectural honour in England. He was president of the R.I.B.A. from 1925 to 1927, and from 1904 to 1906 was president of the Architectural Association. He published books on "Old Houses in Kent and Sussex" and "The Cotswold District," and contributed many articles and papers to societies and journals. He married Mary, daughter of Alexander Eccles, of Roby, Liverpool. There were no children.

25. **Sir Robert Williams, Bt.**, a pioneer in the opening up of South Central Africa, was born on January 21, 1860, in Aberdeen, where he was educated at the Gymnasium. A student of civil engineering, and particularly mining, at the age of 21 he went to South Africa and soon after his arrival was introduced

to Cecil Rhodes, who employed him as adviser in his diamond and gold mining ventures, especially in the newly acquired Mashonaland. Later, in 1898, Rhodes asked him to prospect for minerals in Northern Rhodesia. The Chartered Company granted him a concession and an expedition was sent to visit the south of Lake Tanganyika, which resulted in the formation of Tanganyika Concessions, Limited. Convinced that minerals would be found in the divide between the Zambezi River and the Congo, he offered to spend 40,000*l.* in prospecting in Katanga if King Leopold II of the Belgians would grant him a concession, which the King did in 1900. Next, Williams began to put into execution, by the building of the Benguela Railway, his great scheme for giving that immense copper field a direct outlet to the Atlantic. Started in 1903, and delayed by the Great War, the line—600 miles shorter than the previously used Beira route—was completed in 1931. Meanwhile, he devoted himself to the opening up of the properties of the Union Minière du Haut Katanga. In 1928 he was created a baronet. He also received Belgian and Portuguese honours, and was an honorary LL.D. of Aberdeen University, and a Freeman of that city. He married in 1886, Margaret, daughter of Alexander Bayne, of Kimberley, and had two daughters, and one son, who died of wounds in 1918.

28. **Lieutenant-Colonel Sir Thomas Wolseley Haig**, soldier, administrator and Orientalist, was born on August 7, 1865, son of Major Robert W. Haig, R.A., F.R.S., and a kinsman of the first Lord Haig. Educated at Wellington College and Sandhurst, he joined the Seaforth Highlanders in 1884. Three years later he was transferred to the Indian Army and took part in the operations for pacifying the newly acquired Province of Upper Burma and ridding it of dacoits for which service he was awarded a medal and clasp. In 1892 he was appointed to the Berar Commission, to which was entrusted the administration of the Assigned Dominions of the Nizam. After holding a variety of posts in the Province he entered the Political Department in 1901 as First Assistant to the Resident at Hyderabad, a position which gave him *ex-officio* charge of the day-to-day administration of Berar. His flair for Oriental languages led to his serving on two occasions as officiating Secretary to the Board of Examiners at Fort William, Calcutta. In 1907 he became Assistant Secretary to the Government of India in the Foreign Department, and a few months later went to Alwar as Political Agent. When Sir Curzon Wylie was assassinated in London by an Indian student in 1909, Haig, home on leave, was appointed to act as Political A.D.C. to the Secretary of State for India (Lord Morley). From 1910 to 1912 he was H.B.M.'s Consul at Kerman in Persia, after which he was made First Assistant to the Agent to the Governor-General in Baluchistan. But within a few months he was again in Persia as H.B.M.'s Consul-General and Agent to the Government of India in Khorasan. In 1916 he was transferred to Ispahan in the same capacity. He retired in 1920, and soon after returning to England was appointed Professor of Arabic, Persian, and Hindustani at Trinity College, Dublin. Later he became Lecturer in Persian at the School of Oriental Studies (University of London). In 1923 he was appointed March Pursuivant of Arms in Scotland, four years later being promoted Albany Herald, an office which he held until 1935 when he resigned owing to ill-health. His first book, "Historical Landmarks of the Deccan," was published in 1907. In the field of Oriental translations he was best known by his version of Badaoni's History, one of the chief sources on the reign of the Emperor Akbar. He also translated into English the *Burhan-i-Maasir* of Tabatabai, an important source for the Nizam Shahi dynasty of Ahmadnagar. His chief literary work was as a co-editor of the Cambridge History of India. The third volume was largely his own work; the fourth, which he planned, was finished by Sir Richard Burn. With J. Allan and Professor H. H. Dodwell he compiled the "Cambridge Shorter History of India." He was a frequent contributor to the *Journal* of the Royal Asiatic Society and other learned publications. A Companion of the Star of India, of St. Michael and St. George, and of the British Empire, he was created a K.C.I.E. in 1922. He married, in 1892, Beatrice, eldest daughter of Michael Lloyd Ferrar, I.C.S., and had one son and two daughters.

## MAY.

6. Victor Christian William Cavendish, ninth Duke of Devonshire, was born on May 31, 1868, son of Lord Edward Cavendish and Emma Elizabeth, daughter of the Right Hon. William Lascelles; nephew of the eighth Duke of Devonshire, and of Lord Frederick Cavendish (murdered in Phoenix Park, Dublin, 1882), and educated at Eton and Trinity College, Cambridge. For a few months after leaving the University he worked, to gain experience, in the office of a firm of accountants, and afterwards read law in the chambers of Judge Lush-Wilson. On the death of his father in 1891, he succeeded him, unopposed, as Member of Parliament for West Derbyshire, holding the seat until he became ninth duke on the death of his uncle in 1908. In 1900 he obtained his first office, that of Treasurer of the Household in Lord Salisbury's last Government, after which, in 1903, he became Mr. Balfour's Financial Secretary to the Treasury. In June, 1916, he succeeded the Duke of Connaught as Governor-General of Canada, and, landing in November, remained there, except for a few weeks, until his term expired in 1921. In 1922 he declined the Secretaryship of State for India offered to him by Mr. Lloyd George, but later in the year accepted the office of Colonial Secretary in Mr. Bonar Law's Government. In that capacity he was intimately connected with the preparations for the Wembley Exhibition and, unobtrusively, he became one of its principal financial guarantors. Free from the cares of office in 1925, he planned an extended holiday on his estate in Ireland, but over-exertion resulted in a sudden collapse, which left him something of an invalid and brought his public career virtually to an end. Among distinguished public offices he held was that of Chancellor of the University of Leeds, president of the Royal Agricultural Society of England (1908 and 1932), Lord-Lieutenant of Derby, vice-president of the Navy League, and Mayor of Eastbourne (1909-10) and of Chesterfield (1910-11). A frequent host to royalty, he had, in addition to Chatsworth and Bolton Abbey, seats at Hardwick Hall, Derbyshire; Compton Place, Eastbourne; Lismore Castle, Waterford, and, until circumstances induced him to sell it, the famous Devonshire House, Piccadilly. In 1892 he married Lady Evelyn Fitzmaurice, elder daughter of the fifth Marquess of Lansdowne, and had two sons and five daughters.

4. Carl von Ossietzky, German journalist and winner of the Nobel Peace Prize for 1935, was born in Hamburg on October 3, 1889. As a young man he was very active in the work of peace propaganda; served at the Front during the war, and afterwards made his way to Berlin where he aimed at the formation of a popular front against war. In 1928 he assumed control of *Die Weltbühne* in which he preached advanced pacifist views. In 1929, after the publication of an article by a contributor in which the Reichswehr was accused of secret rearmament in violation of the Treaty of Versailles, he was charged with treason and, together with the writer of the article, was found guilty in November, 1931. Meanwhile, in August, another article by an anonymous contributor appeared in *Die Weltbühne*, developing the thesis that all soldiers were murderers, and von Ossietzky, as responsible editor, was again charged, this time with insulting the Reichswehr. Of that charge he was finally acquitted. After serving seven of his eighteen months' sentence for treason, he was released by the general amnesty issued on the occasion of the re-election of President von Hindenburg, but when the National Socialist Party came into power some months later, von Ossietzky, whose views were diametrically opposed to the *Weltanschauung* of the new rulers of Germany, was taken into "protective custody" as a "danger to the State," and sent to a concentration camp, where he was so maltreated by the Nazis that he became a broken man, being allowed eventually to enter a sanatorium, where he was treated for tuberculosis. On November 24, 1936, he was awarded the Nobel Peace Prize for 1935, and should have received a sum of about 100,000m., but it was never accurately determined how much he actually received, his lawyer

being convicted of having embezzled 83,500m. of the prize money entrusted to him by Frau von Ossietzky.

8. **The Most Hon. George Louis Victor Henry Sergius Mountbatten**, second Marquess of Milford Haven, Earl of Medina and Viscount Alderney, in the county of Southampton, was born on November 6, 1892, eldest son of Admiral Prince Louis of Battenberg (whose title was changed in 1917) and Princess Victoria of Hesse; great grandson of Queen Victoria; nephew of the last Tsaritsa of Russia; and a second cousin of King George VI. Educated at the Royal Naval College, Osborne, he was promoted to lieutenant in February, 1914. He was present at the battles of the Heligoland Bight, Dogger Bank, and Jutland. In 1918 he joined the gunnery school at Whale Island, and in 1922 he was at the Royal Naval Staff College. He was promoted to commander on December 31, 1926, and in 1929 joined the Tactical Division of the Naval Staff at the Admiralty. A year later he went on half-pay, and for a time worked in a Wall Street brokerage house to gain business experience. In 1932 he definitely retired from the Navy, and became chairman and managing director of the Sperry Gyroscope Company, Limited. He was also a director of Marks & Spencer, Limited, Electrolux, Limited, Franco Signs, Limited, and various other companies. In November, 1937, he was promoted to the rank of captain, R.N., on the retired list. He became Earl of Medina in 1917, and in 1921 succeeded his father as second marquess. He was created K.C.V.O. in 1916, and advanced to G.C.V.O. in 1932. For his services in the war he received the Russian Order of St. Vladimir (fourth class) and the Italian Military Order of Savoy (fourth class), and he also had the Grand Cross of Isabella the Catholic of Spain, and the Grand Cross of the Polar Star of Sweden. In 1935 he was made a Freeman of the City of London. In 1916 he married Nadejda, younger daughter of the Grand Duke Michael of Russia and Countess Torby, and had one son and one daughter.

10. **Dr. William Eagle Clarke, LL.D., F.R.S.E.**, Honorary Supervisor of the Bird Collection, and Keeper of the Natural History Department, Royal Scottish Museum, Edinburgh, 1906-21, was born at Leeds on March 16, 1853, and educated at Leeds Grammar School and at Yorkshire College. In 1888 he became an official of the Natural History Department of the Museum and quickly acquired an international reputation as an authority on ornithology. In 1884 he was elected a member of the committee of the British Association which was appointed to investigate the migration of birds, and drew up the report of the inquiry, a task which occupied him for nine years. He was appointed Keeper of the Natural History Department, Royal Scottish Museum, Edinburgh, in 1906, holding the post until 1921. Among the many important offices which he held were those of president of the Yorkshire Naturalists' Union, 1905; president of the British Ornithologists' Union, 1917-20; vice-president of the Zoological Society of Scotland; a member of the Departmental Committee (Home Office) which reported on the Wild Birds Protection Acts; a member of the Wild Birds Advisory Committee for Scotland (Scottish Office); a member of the Advisory Committee under the Plumage Importation (Prohibition) Bill (Board of Trade); and a member of the International Committee for Bird Protection. He was also an honorary member of the American Ornithologists' Union, and of the Ornithological Societies of Vienna and Budapest. A Fellow of the Royal Society, Edinburgh, he was for many years a correspondent of American and Continental natural history societies. He was awarded the medal of the British Ornithologists' Union. Formerly he was joint editor of the *Scottish Naturalist*, and of the "Annals of Scottish Natural History," and in 1927 he edited the third edition of "Saunders' British Birds." In 1920 he was awarded the I.S.O. He was married and had two daughters.

— **Ian Duncan Colvin**, journalist and author, was born at Inverness in 1877, son of the Rev. Duncan Colvin, and educated at Crief Academy, Inverness

College, and Edinburgh University. He began his career on the *Inverness Courier* and the *Aberdeen Free Press*, and then, after three years on the *Allahabad Pioneer*, was appointed assistant editor of the *Cape Times*. In 1909 he joined the *Morning Post*, eventually succeeding Spencer Wilkinson as chief leader writer, and remained with that newspaper—despite many lucrative offers from journals with larger circulations—until it merged with the *Daily Telegraph* in 1937. His leaders were couched in a finished style which won general admiration. His publications included a Life of Dr. Jameson (a personal friend), undertaken at the request of the Rhodes Trustees, “The Life of General Dyer” (1929), Volumes II and III of “The Life of Lord Carson,” the first volume having been written by Edward Marjoribanks, and *The Leper’s Flute*, a poetical South African play. He married in 1909, Sophie, daughter of the Rev. Dr. George Robson, of Edinburgh, and had three sons and one daughter.

10. **Campbell Cowan Edgar**, an authority on Egyptian archæology and one of the foremost of British papyrologists, was born in Scotland and became a scholar of Oriel College, Oxford, in 1891. Entering the Egyptian Department of Antiquities, he became acting head of the Musée des Antiquités in Cairo. He contributed largely to its great “Catalogue Général des Antiquités Egyptiennes du Musée du Cairo,” the volumes for which he was responsible, apart from his later work on papyri, being those on “Greek Moulds” (Vol. 8, 1903), “Greek Sculpture” (Vol. 13, 1903); “Greek Bronzes” (Vol. 19, 1904); “Græco-Egyptian Glass” (Vol. 22, 1905); “Græco-Egyptian Coffins, Masks, and Portraits” (Vol. 26, 1905); “Sculptors’ Studies and Unfinished Works” (Vol. 31, 1906); and “Greek Vases” (Vol. 56, 1911). He will best be remembered, however, as editor of the Zenon archive, an extensive collection of papyri found at Philadelphia (Darb-el-Gerza), giving details of King Ptolemy II’s schemes of land development in the Fayum and the activities of the Greek *diaspora*. Originally published in the “Annales du Service” a complete edition, occupying four volumes, was issued as part of the “Catalogue Général.” The acknowledged excellence of his work led to his selection by the University of Michigan to edit its collection of Zenon papyri, and he published in the “Bulletin of the John Rylands Library” further texts which were preserved at Manchester. He collaborated with Professor A. S. Hunt in two volumes of documentary papyrus texts in the Loeb Series, and after Hunt’s death took over the editorship of Part 2 of Volume III of the “Zebtunes Papyri.” Edgar also acted in an advisory capacity, for Græco-Roman Egypt, in the editing of the “Journal of Egyptian Archæology,” organ of the Egypt Exploration Society, on the committee of which he sat for several years.

12. **Dr. Arthur Edwin Boycott, D.M., F.R.S.**, Professor Emeritus of Pathology, University of London, was born on April 6, 1877, son of a Hereford solicitor, and educated at Hereford Cathedral School and Oriel College, Oxford. After obtaining his doctorate in medicine in 1903, following hospital work at St. Thomas’s, he was elected a Fellow of Brasenose. He was also F.R.C.P. and LL.D. In 1904 he became a member of the scientific staff of the Lister Institute where he carried out research in collaboration with Professor J. S. Haldane (with whom he had studied physiology) and Captain G. C. C. Damant, a diving expert of the Royal Navy, on diseases due to increased air pressure (Caisson disease). In 1907 he was appointed Gordon Lecturer in Pathology at Guy’s Hospital; five years later he obtained the Chair of Pathology at the University of Manchester, and in 1915 he returned to London to become Graham Professor of Pathology at University College Hospital Medical School, retaining that position for twenty years until his enforced retirement owing to ill-health in 1934. During the war he served in the R.A.M.C., carrying out physiological investigations concerned with the effects on respiration of the substances used in gas warfare. From 1905 onwards he was connected with the Advisory Committee on Plague Investigation in India, of which he acted as the first Secretary. He also served on the Medical



Research Council, and from 1925 was a member of the Governing Body of the Lister Institute. He took an active part in founding the Pathological Society of Great Britain and Ireland, and was editor of the *Journal of Pathology and Bacteriology* for more than twenty-five years. His interests ranged over the whole of biological science, and in many branches of natural history he was a recognised authority. He was elected a Fellow of the Royal Society in 1914. In 1904 he married Constance, daughter of Colonel Ogg, of Cheltenham, and had two sons.

16. **Admiral Sir Lewis Bayly**, Commander-in-Chief at Queenstown, 1915-19, was born on September 28, 1857, son of Captain Neville Bayly, R.H.A., great nephew of Admiral Sir Richard Keats, and entered the Navy on July 15, 1870. He served in the Ashanti campaign and in the Egyptian War of 1882. Promoted captain in 1899, after three years as commander in North American waters, he served from 1900 to 1902 as Naval Attaché at Washington, acquiring a remarkable knowledge of the history, politics, and institutions of the United States. In November, 1908, he was promoted to flag rank. During the early months of the war he commanded the First Battle Squadron of the Grand Fleet. In July, 1915, he was appointed Vice-Admiral Commanding on the coast of Ireland, and with his status subsequently raised to that of Commander-in-Chief, served at Queenstown until April 1, 1919, when he retired. By his force of character and great abilities he so won the admiration of the American seamen who served under his command that his name became as well known in the United States as in his own country. He was made C.V.O. in 1907, C.B. in 1912, K.C.B. in 1914, and was created K.C.M.G. in 1918. The King of Denmark conferred on him personally the Grand Cross of the Dannebrog, and he also held the United States Distinguished Service Order, was a commander of the Legion of Honour, and had the Order of the Crown of Italy. In 1892 he married Yves Henrietta Stella, daughter of Henry Annesley Voysey.

23. **Miss Edith Rickert, Ph.D.**, American author, was born in Dover, Ohio, on July 11, 1871, and educated at Vassar and Chicago (Ph.D. in 1899). She was Instructor in English at Vassar (1897-1900), and Associate Professor of English in the University of Chicago since 1924. Her publications, apart from a series of novels between 1902 and 1930, grew out of her interest in medieval and modern literature. In 1901 she published a translation of seven lays of Marie de France; in 1908 an edition of "Emaré" and a series of modernisations of medieval texts—"The Babe's Book" and "Early English Romances"; and in 1910 a collection of "Ancient English Christmas Carols." Her chief contribution to critical theory, "New Methods for the Study of Literature" appeared in 1927. With Professor J. M. Manly she edited in 1922 "Contemporary British Literature" and "Contemporary American Literature," two important descriptive bibliographies. She left unfinished a scheme, on which she and Professor Manly had been working for ten years, for a new text of Chaucer with a record of the variants of all existing manuscripts.

31. **Sir Edward Brandis Denham**, Captain-General and Governor of Jamaica, 1934-38, was born in 1876 and educated at Malvern College and Merton College, Oxford. In 1899 he was appointed to a cadetship in Ceylon, and in 1902 was given the post of Assistant Government Agent in the Mannar District. Three years later he was made Assistant Government Agent in the Northern Province for pearl fishery work. In 1905 he became Second Assistant Colonial Secretary and Secretary to the Agricultural Board, and in 1908 was appointed District Judge at Negombo. After tours of duty as Principal Assistant Colonial Secretary of Ceylon and Colonial Secretary of Mauritius, he was appointed in 1923 to the Colonial Secretaryship of Kenya, and until the new Governor arrived after the death of Sir Robert Coryndon in 1925, he also acted as administrator, visiting certain of the provinces and preparing a valuable report which was issued as a

Blue Book. In 1928 he was promoted Governor of Gambia and, two years later, of British Guiana, where he made progress with a scheme for developing 85,000 square miles of waste land in the interior. In 1934 he was appointed Captain-General of Jamaica. Deeply interested in public health, he established a Central Housing Advisory Board in 1935, and in 1937 presented a Slum Clearance Bill which was passed by the Legislative Council. On May 24 he had intended to sail for England on leave, but postponed his departure owing to labour disturbances. Denham, who was buried at sea in accordance with his wishes, was created a C.M.G. in 1922, K.B.E. in 1927, K.C.M.G. in 1931, and promoted to G.C.M.G. in 1935. He married in 1923 Maude, daughter of I. Bromhead Butt, and had one son and one daughter.

## JUNE.

6. **Dr. Henry Bond**, Master of Trinity Hall, Cambridge, 1919-29, was born at Cambridge on September 19, 1853, and educated at Amersham Hall School, Reading; University College, London; and Trinity Hall, Cambridge, where he was senior in the Law Tripos of 1876 and second in the first class of the History Tripos in 1877, in which year he also obtained the Chancellor's Legal Medal. In 1886 he was elected to a Lectureship in Roman Law at Trinity College, a post which he held for thirty years. In 1887 he was elected a Fellow of Trinity Hall, and in the following year became Lecturer in Roman Law. He was Master of Trinity Hall from 1919 to 1929; under his leadership the College increased in numbers and won respect for the academic and athletic achievements of its members. In 1922 Dr. Bond became a Bencher of the Middle Temple. He married in 1903, May, eldest daughter of Dr. E. S. Shuckburgh, of Emmanuel College, Cambridge, and had one son and two daughters.

— **Miss Constance Fletcher** ("George Fleming"), novelist and dramatist, was born in the United States in 1858, daughter of the Rev. James Coolie Fletcher. At an early age she was taken by her Swiss mother to Venice, which became her real home, although for long periods at a time she lived in London. Her first book, "A Nile Novel" (1876), appeared when she was eighteen. A slight story, it attracted attention by the beauty of its style and its subtle character drawing. "Mirage," dedicated to Walter Pater and regarded as her best novel, was published a year later. Several other novels came from her pen before "Little Stories About Women" (1897), a number of which had appeared in the *National Observer* and the *New Review*, under the editorship of Henley, brought her fiction writing period to a close. Meanwhile, in April, 1894, *Mrs. Lessingham*, a play of ideas, was produced at the Garrick Theatre, but although the cast included Hare, Kate Rorke, Sir Johnston Forbes-Robertson, and Elizabeth Robbins, it ran only for a few weeks. She had more success, however, with *The Canary* (Prince of Wales' Theatre, 1899) and *The Fantasticks* (Royalty Theatre, 1900), an English version of Rostand's "Romanesques," but her greatest dramatic success came in 1903, with an adaptation of Kipling's "The Light that Failed," which had a long run in London, the Provinces and in America. For her work in the military hospitals of Venice during the war the Italian Government conferred upon her the Croce di Guerra, the Campaign Ribbon with two stars, the medal for epidemics, the Duke of Aosta's medal of the Tirza Armata, and the silver medal of military merit.

7. **Frederick Landseer Maur Griggs, R.A.**, an etcher noted for his drawings of architecture, was born at Hitchin, Herts., in 1876, and after being educated privately was trained as an architect. He started his artistic career as an illustrator of topographical works, including several volumes in the "Byways" series, but quickly made his reputation as an etcher greatly influenced by the spirit of the Middle Ages. His most remarkable gift was for architectural inventions, real works of imagination, to which were given such titles as "The

Ford," "The Minister," and "The Pipe and Tabor." Among his "real" subjects were "Owlpen Manor" in the Cotswolds, and the Saxon tower of "Barnak." He also made etchings and water-colour drawings of pure landscape, distinguished by a remarkable feeling for structure. He was represented at the British Museum, the Victoria and Albert Museum, the Fitzwilliam Museum, Cambridge, the National Gallery of Canada, the Boston Museum of Fine Arts, and Harvard University. For many years he lived in the Cotswold village of Chipping Campden, the preservation of which was largely due to his efforts. He was made A.R.A. in 1922, and R.A. in 1931. He was a Fellow and on the Council of the Royal Society of Painter-Etchers and Engravers, honorary member of the Society of Graphic Art, honorary Associate of the Royal Institute of British Architects, and a member of the Art Workers' Guild; on the committees of the Council for the Preservation of Rural England and the Society for the Protection of Ancient Buildings, and was a member of the Faculty of Engraving, British School at Rome. In 1936 he was made a member of the committee appointed to advise the Archbishop of Westminster, following some criticism of the new mosaics in the Cathedral. In 1922 he married Nina Blanche Mary, daughter of Julius Wood Muir, I.C.S., and had one son and four daughters.

9. **Sir Arthur Spurgeon**, journalist and publisher, was born on March 31, 1861, at Lakenham, Norfolk, and after being educated at Carrow School, joined the staff of the *Eastern Daily Press* as apprentice. At the age of 24 he was appointed editor of the *Lowestoft Weekly Press*. In 1891 he came to London to join the staff of the National Press Agency, becoming managing editor three years later. To his surprise he was invited in 1905 to become general manager of the publishing firm of Cassell & Company, a post which he held until 1922. His most exciting journalistic experience occurred at sea in 1913 when, on board the *Carmania*, he reported by wireless the rescue of passengers from the *Volturno* which was burning in mid-Atlantic. Being no longer engaged in active journalism he declined to accept any payment for his services, but a sum of money was given to the Newspaper Press Fund and the Institute of Journalists' Orphan Fund. The Press generally, at a public luncheon, presented him with an address of appreciation, a library desk, chair, and clock, and a water-colour by T. N. Hemy of the launching of the *Carmania's* lifeboat. Besides a brief narrative, "The Burning of the *Volturno*," he wrote two or three other books, including "The Commonwealth of Literature" and a study of King Edward VII. He served on the Royal Commission on Paper and Paper-making, 1917, and from 1916 to 1936 was chairman of the Croydon County Bench. He was also an alderman of the Surrey County Council. He was knighted in 1918. In 1894 he married Mary Hoyle, of Rochdale.

11. **Professor William Arthur Bone**, head of the Department of Chemical Technology at the Imperial College of Science and Technology, South Kensington, 1912-36, was born at Stockton-on-Tees on March 19, 1871, and was educated at the Friends' School, Ackworth; Middlesborough High School; Stockton Grammar School; and Leys School, Cambridge; graduating in chemistry at the Victoria University, Manchester, in 1891. In the following year he became Berkeley Fellow of Owens College and Fellow of Victoria University, subsequently going to Heidelberg to study under Victor Meyer. In 1896 he became head of the chemical department in Battersea Polytechnic, and two years later returned to Manchester as Lecturer in Chemistry and Metallurgy at the University. In 1906 he was made the first occupant of the Livesey Chair of Fuel and Coal Gas Industries at Leeds, and in 1912 was appointed Chief Professor of Chemical Technology at the Imperial College, South Kensington. During 1917-18 he was consultant to the Fuel Research Board. He was president of the Chemistry Section of the British Association in 1915, and chairman of the Fuel Economy Committee in 1915; a member of the Coal Conservation Committee which reported in 1918; and chairman of the Blast Furnace Reactions Research Sub-

Committee of the British Iron and Steel Federation in 1933. In 1913 he won the Howard Potts gold medal of the Franklin Institute, Philadelphia, as inventor of the Bonecourt system of incandescent surface combustion; in 1922 he was awarded the medal of the Royal Society of Arts for his work on brown coals and lignites; and in 1931 he received the Melchett medal of the Institute of Fuel. He also received the Society of Chemical Industry's medal in 1933, and the Royal Society's Davy medal in 1936. He had been a Fellow of the Royal Society since 1905. Besides many papers read before scientific and technical societies he was the author of "Coal and Scientific Uses" (1918); "Flame and Combustion in Gases" (1927); "Gaseous Combustion at High Pressures" (1930); and, with Godfrey W. Himus, "Coal, its Combustion and Uses" (1936). Professor Bone was twice married; first to Kate Hind, who died in 1914, leaving a son and two daughters; and secondly to Mabel Liddiard, who died in 1922.

12. **Sir Lewis Tonna Dibdin, D.C.L.**, Dean of the Arches, 1903-34, and an authority on ecclesiastical law, was born on July 19, 1852, son of the Rev. R. W. Dibdin, and educated at St. John's College, Cambridge (where he was afterwards elected an honorary Fellow), graduating in 1874, after which he read for the Bar at Lincoln's Inn. In 1901 he became a K.C. Acquiring a large Chancery practice, he was from 1895 to 1903, official counsel to the Attorney-General in charity matters. Early in his career he became known as an ecclesiastical lawyer, appearing in all the leading ecclesiastical suits. In 1903 he was appointed Dean of the Arches, resigning in 1934 on account of age. He was a member of the Royal Commission on Church Discipline (1904), and of the Royal Commission on Divorce (1909-12). From 1925 to 1934 he was Vicar-General of the Province of Canterbury. He had also been Chancellor of the dioceses of Rochester, Exeter, and Durham, Auditor of the Chancery Court of York, Master of the Faculties, and an Ecclesiastical and Church Estates Commissioner. Among his legal and other publications were, "Church Courts" (1881); "The City Livery Companies" (1886); "Monasticism in England" (1890); "The English Church Law and Divorce" (with Sir Charles Chadwyck-Healey, 1912), and "Establishment in England" (1932), a collection of essays containing much out-of-the-way information upon the relations of Church and State. He was knighted in 1903. In 1881 he married Marianne Aubrey, daughter of the Rev. H. S. Pinder, and had three sons and two daughters.

16. **Lady Muriel Paget, C.B.E.**, noted for her welfare and charitable work at home and abroad, was born on August 19, 1876, second child and only daughter of the 12th Earl of Winchilsea. In 1897 she married Richard Paget, who succeeded his father as second baronet in 1908. She began her charitable work in 1905 with the establishment of invalid kitchens in London for the provision of suitable nourishment to mother and child in maternity cases. When the war broke out she organised the Anglo-Russian Hospital in Petrograd, remaining in Russia until after the Revolution. In 1920 she led a mission to Latvia where she established kitchens giving free meals, free clothing, and free medical aid. Similar work was done by her in Estonia, Lithuania, and Czechoslovakia. A frequent traveller in Russia, where she was always welcomed, it came as a surprise when Rakovsky, former Soviet Ambassador to the Court of St. James's, stated at his trial for treason (Moscow, March, 1938) that he had resumed spying for Britain in 1934 at Lady Muriel Paget's request. This allegation that her work was in any way political was flatly denied by the Prime Minister in reply to questions in the House of Commons. In addition to being C.B.E., she was a Commander of the Latvian Order of the Three Stars and had the St. George's Medal of Russia, the Order of the Russian Red Cross, the Order of Regina Marie of Rumania, the Estonia Red Cross, the Order of the Grand Duke Gedimas of Lithuania, the Czechoslovak Order of the White Lion; and she was a Dame of Grace of the Order of St. John of Jerusalem. She had two sons, the eldest of whom died in infancy, and three daughters.

16. **Herbert Smith**, President of the Miners' Federation of Great Britain, 1922-29, was born in a Lancashire workhouse in 1876, the posthumous son of a miner killed in a pit accident. Brought up by foster parents, he started work at the age of 10, became in time a checkweighman, and, winning the miners' confidence, rose to be vice-president of the Yorkshire Association, 1904, and president two years later. Succeeding Robert Smillie as president of the national association in 1922, he held that office until 1929 when he resigned, leaving the chair without ceremony, on a point of principle. With the aid of the Labour Government he had hoped to restore the seven-hour day in mines, but the national conference disagreed with him. He became best known to the public in 1926 when, with Arthur Cook, he led the miners in a national strike which lasted several months after the General Strike called to support them had failed. Noted alike for his dourness, his uncompromising honesty and his cloth cap, he was also noted for his personal bravery, many times leading rescue parties down pits soon after an accident had occurred. After one such disaster (Cadeby, 1912) he was introduced at the pithead to Queen Mary. He was a member of the Barnsley School Board and of the Town Council; an alderman and mayor of the borough; and a member of the West Riding County Council. He died in his chair at the headquarters in Barnsley of the Yorkshire Miners' Association, of which he had been president for thirty-two years.

23. **Cecil Maurice Chapman**, Metropolitan police magistrate (1899-1924), was born on June 24, 1852, and educated at Tonbridge School and Balliol College, Oxford, taking honours in Moderations in 1872 and his degree in 1875. Called to the Bar by the Inner Temple in 1878, he joined the South-Eastern Circuit and Surrey Sessions, specialising in local government and industrial cases. In consequence he was appointed Assistant Commissioner on Markets and Fairs in 1887, and later he served on the Labour Commission, 1892. Between 1896 and 1898 he was one of the Conservative representatives of Chelsea on the London County Council. In 1899 he was appointed a Metropolitan Police Magistrate, being first posted at Clerkenwell and later at Lambeth, Southwark (afterwards Tower Bridge), and finally, in 1917, at Westminster, remaining there until his retirement in 1924. Conscientious and kindly, he was a strong believer in probation for young offenders, and he helped many prisoners out of his own pocket. He was also a keen supporter of the woman suffrage movement and an advocate of Divorce law reform. He was assistant editor of Fisher's Common Law Digest, editor of Sir Henry Cunningham's Commentary upon the Indian Law of Evidence Act, and author of a work on Marriage and Divorce (in the Women Citizens' Series), and of two volumes of recollections, "The Poor Man's Court of Justice: 25 years as a Metropolitan Magistrate" and "From the Bench." In 1899 he married Adeline Mary, daughter of David Barclay Chapman and widow of Arthur Edward Guest, M.P.

26. **Edward Verral Lucas**, essayist, man of letters, and publisher, was born of Sussex Quaker stock in 1868, a kinsman of Lord Lister, and after being educated privately was apprenticed to a bookseller at Brighton. Later he joined the staff of the *Sussex Daily News*, but left in 1892 to attend lectures at University College, London, with 200*l.* provided by one of his uncles. In 1893 he returned to journalism on the staff of the *Globe*. At the time of his death he had been writing for fourteen years a weekly article, "A Wanderer's Notebook" for the *Sunday Times*. Soon after publishing his first book, "Sparks from a Flint," an anonymous collection of verse, he received from the Society of Friends a commission for a memoir of Bernard Barton, a Quaker poet and friend of Charles Lamb. This led, a few years later, to a commission from Reginald Smith, of Smith, Elder, to edit some newly discovered letters from Lamb to the Lloyd family, and an invitation from Methuen & Company (of which he subsequently became chairman), to write a new life of Lamb and to bring out a new edition of his works. Although best known as the foremost authority on Lamb, his work covered a wide range

of subjects. He was a regular contributor to *Punch*, occupying the editorial chair when Owen Seaman was on holiday. With or without C. L. Graves he produced a series of satires, beginning in 1903 with "Wisdom While You Wait," a mock at the advertising methods adopted to sell the "Encyclopædia Britannica," and culminating with "Quoth the Raven," a bitter exposure of the shams and pretences of war. In 1909 came "Anne's Terrible Good Nature," and "Over Bemerton's," which remained his most popular novel. Two years later he published "Mr. Ingleside," and then "London Lavender" (1912), revealing a new medium for his genius. "Rose and Rose" was regarded by many as the best of all his works. Turning playwright, he wrote *The King's Visit* which was played at the Palace Theatre in 1912, and some years later *The Same Star*, produced by the Leeds Art Theatre. A cricket enthusiast, and a member of Barrie's team, the Allahakbaris, he compiled a record of early cricket called "The Hambleton Men." His reminiscences appeared under the title, "Reading, Writing, and Remembering," while "Landmarks" (1914) contained autobiographical touches. Since 1928 Mr. Lucas had been a member of the Royal Commission on Historical Monuments, and from 1933 a member of the Crown Lands Advisory Committee. He was honorary D.Litt. of Oxford; hon. LL.D. of St. Andrews; and in 1932 was made a Companion of Honour. He was married and had a daughter.

## JULY.

1. Lieutenant-Colonel Sir George Frederick Stanley, Governor of Madras, 1929-34, was born on October 14, 1872, sixth son of the sixteenth Earl of Derby, and after being educated at Wellington and Woolwich, entered the R.H.A. in 1893. He served in the South African War, being promoted captain in 1900. From 1904 to 1909 he was adjutant of the Honourable Artillery Company. During the Great War he saw active service with the Royal Field Artillery, and on two occasions was mentioned in despatches. In 1910 he was elected Unionist Member of Parliament for Preston, which he continued to represent until 1923. He became private secretary to Mr. Bonar Law, then Leader of the Unionist Opposition, and was a Whip in 1913-14. His political career was interrupted by military duties, but during 1916-17 he was Parliamentary Private Secretary to the Secretary of State for War. His next appointment was that of Comptroller of His Majesty's Household, 1919-21, after which he was made Financial Secretary to the War Office and a member of the Army Council. Subsequently he was appointed Under-Secretary of State for Home Affairs. From 1924 to 1929 he represented Willesden East and was Parliamentary Secretary to the Ministry of Pensions. In November, 1929, he succeeded Lord Goschen as Governor of Madras, holding the office until 1934. From May to August of that year he also acted as Viceroy during the absence of Lord Willingdon. For his war services he was created C.M.G. in 1916, was made an officer of the Order of the Crown of Belgium, and received from the French Government the Legion of Honour. He was sworn a member of the Privy Council in 1927; created G.C.I.E. in 1929, and G.C.S.I. in 1934. In 1903 he married Lady Beatrice Taylour, daughter of the third Marquess of Headfort, by whom he had one daughter.

2. Sir John James Burnett, R.A., F.R.I.B.A., was born in 1857, son of the Scottish architect, John Burnett, and after studying at the École des Beaux Arts, Paris, began his career in his father's office in Glasgow. In later years he made London his headquarters, founding the firm of Sir John Burnet, Tait, & Lorne. Outstanding among the very large amount of work which he accomplished were the King Edward VII Memorial Galleries to the British Museum, including the magnificent north front. Of the other buildings which he designed, the most notable were, in Glasgow, the Royal Institute of Fine Arts, the Alhambra Theatre, the Athenæum, and the Savings Bank, Ingram Street; in London, the Institute of Chemistry, Russell Square, the Kodak Building, Kingsway, the General Accident Fire and Life Assurance Company's offices, Aldwych;

Adelaide House, London Bridge ; an extension of Selfridge's store, Oxford Street ; and Vigo House, Regent Street. He also designed the Second Church of Christ Scientist, Palace Gardens Terrace (1923). His war memorials included the Cavalry Memorial, Stanhope Gate, Hyde Park, the Jerusalem War Cemetery, and the Indian War Memorial, Port Tewfik, Gulf of Suez. Knighted in 1914 he was elected an Associate of the Royal Academy of Arts in 1921, and full member in 1925. He was a Fellow of the Royal Society of Edinburgh ; a Royal Scottish Academician ; Fellow of the Society of Architects of Architects of Scotland ; Hon. Corresponding Member of the American Institute of Architecture ; Corresponding Member of the Paris Institute and of the Société Central des Architects Français. Since 1897 he had been a Fellow of the Royal Institute of British Architects, whose Royal Gold Medal he was awarded in 1923. Glasgow University conferred upon him the honorary degree of LL.D. He married a daughter of Sir James Marwick of Glasgow.

4. **Otto Bauer**, Austrian Socialist leader, and Minister of Foreign Affairs, 1918-19, was born of Jewish parentage in Bohemia in 1881, and immediately after leaving the University, entered political life, becoming secretary of the Social Democratic Parliamentary Group at the age of 23. During the war he served as an officer and was taken prisoner on the Russian Front in 1915. Returning to Austria at the end of 1917, he assumed the leadership of the Socialist Left Wing. He was Austrian Foreign Minister from November 12, 1918 (the day on which the Republic was proclaimed) until July, 1919, and went to Paris as a member of the Austrian Peace Delegation. Thereafter he was one of the dominating influences in establishing the policy of the Austrian Socialists. His critics held him responsible, in part at any rate, for the tragic fate which afterwards befell his country, and in particular Dr. Schuschnigg in "Dreimal Oesterreich" blamed him for advocating the "Anschluss" with Germany. After the clash in Vienna (February, 1934) between the Catholic Conservative régime, established by Dr. Dollfuss, and the Socialist Democrats, Bauer crossed into Czechoslovakia, where he continued to publish the periodical *Der Sozialistische Kampf*, which he had founded with Friedrich Adler in 1907. In Czechoslovakia also, he wrote his last book, "Zwischen Zwei Weltkriege." In the spring of 1938, when full liberty of expression could no longer be granted to political emigrés in Czechoslovakia, he went to live in Paris, where he died. Adler was regarded as one of the foremost exponents of the theory of international socialism.

5. **Admiral Sir Archibald Berlekey Milne, Bt.**, was born on June 2, 1855, son of Admiral of the Fleet Sir Alexander Milne, Bt., and educated at Wellington College. During the Zulu War he served as A.D.C. to the second Lord Chelmsford, being wounded at Ulundi. After taking part in the Egyptian War of 1882 as flag-lieutenant to Admiral Hoskins, he returned home to serve in the Royal Yacht *Osborne*, of which, later, he was appointed commander, in time commanding the Royal Yachts as commodore and rear-admiral. His sole experience of the handling of fleets was as Second in Command of the Atlantic Fleet for a year, from August, 1905, and a subsequent period in the same capacity in the Home Fleet. The Mediterranean Command to which he was appointed in June, 1912, was his first and only independent command. Holding that appointment at the beginning of the war, he came in for some criticism following the escape of the German cruisers *Goeben* and *Breslau*. Although completely exonerated by the Admiralty, he resented the censure on him which he felt was implied in the "Official History of the War" and, obtaining no satisfaction, wrote "An Episode of Naval History" which gave a candid but temperate account of his difficulties and proceedings. He was Groom in Waiting to King Edward VII, 1907-08, and Extra Equerry to King George V, King Edward VIII, and King George VI. He was created K.C.V.O. in 1904, K.C.B. in 1909, and advanced to G.C.V.O. in 1912. As he was unmarried, and as his elder and only brother died in 1860, the baronetcy, to which he had succeeded in 1896, became extinct.

6. **Sir John Francis Cleverton Snell**, chairman of the Electricity Commission, 1920-38, was born at Saltash on December 15, 1869, son of Commander John Snell, R.N., and educated at Plymouth Grammar School and King's College, London, of which he was elected a Fellow in 1929. From 1906 to 1918 he practised in Westminster as a consulting engineer, being a partner in the firm of Preece, Cardew, Snell & Rider. After the war he was appointed a member of the committee set up by the Board of Trade to consider the position of the electrical trades in relation to international competition. In 1918 he became chairman of the Board of Trade Committee which investigated the water-power resources of the United Kingdom, and later of the Ministry of Agriculture Committee on Electroculture. In 1925 he was technical adviser to the Weir Committee which reported on the policy to be adopted in order to ensure the efficient development of electricity supply, and since its formation in 1920 had been chairman of the Electricity Commissioners who were charged under the Electricity (Supply) Act (1926) with the duty of preparing and submitting to the Central Electricity Board a system—known as the Grid—for dividing the country into a number of large areas for the purpose for electricity generation and transmission. Knighted in 1914, he was created G.B.E. in 1925. He was president of the Incorporated Municipal Electrical Association, 1902-03; of the Institution of Electrical Engineers, 1914-15, and of the Engineering Section of the British Association, 1926; vice-president of the Institution of Civil Engineers, 1926-31; and was awarded the Faraday medal of the Institution of Electrical Engineers in 1938. He was also a Fellow of the American Institution of Electrical Engineers. He was the author of a text-book on Power House Design (1911). In 1892 he married Anne Glendenning, daughter of Henry Bayly Quick, and had one son.

9. **Dr. Claude Joseph Goldsmid-Montefiore**, one of the foremost advocates of Liberal Judaism and famous for his saintly character no less than for his learning, was born on June 6, 1858, son of Nathaniel Montefiore and great-nephew of Sir Moses Montefiore. His mother was Emma, a daughter of the first Jewish Baronet in this country, Sir Isaac Lyon Goldsmid. Montefiore assumed the additional surname of Goldsmid by Letters Patent. Educated privately and at Balliol College, Oxford, he took a first in *Lit. Hum.* in 1881. Later he went to Germany to prepare himself for the ministry of the West London (Reform) Synagogue, but the rapid development of his liberal theology and Biblical criticism deflected him from that purpose and he decided to devote himself to philanthropy and scholarship. He was deeply interested in Education, whether in the elementary school, the training college, or the university. Accordingly he was a member of the London School Board, president of the Westminster Jews' Free School and of the Jews' Infant School, president and generous friend of the Froebel Society and Institute, president of the Anglo-Jewish Association, of the West Central Jewish Lads' Club, of the Jewish Association for the Protection of Girls and Women, and of the London Society for the Study of Religion, of which he was a founder. From 1913 to 1934 he was president of University College, Southampton. His literary output, which extended over half a century, began in 1892 with his Hibbert Lectures on "The Origin and Growth of Religion as illustrated by the Religion of the Ancient Hebrews," which immediately established his position as a Biblical scholar of the first rank. This was followed by the "Bible for Home Reading" (1896); "Liberal Judaism" (1903); "Some Elements of the Religious Teaching of Jesus" (1910); and "The Old Testament and After" (1923). The New Testament, too, received his attention; in his introduction to the Synoptic Gospels (1909) he criticised many of the sayings attributed to Jesus. Profound as was his appreciation of the unique qualities of the religious teaching of Jesus, he decisively rejected the basic claims of the Christian faith. In 1930 the British Academy medal for Biblical Studies was conferred upon him. In 1890, together with the late Israel Abrahams, Montefiore founded and edited the *Jewish Quarterly Review* which appeared for a decade in this country until its transference to the United States.



In 1902 Montefiore founded the Jewish Religious Union in order to promulgate Liberal Judaism, a movement which culminated in 1912 in the establishment in London of the Jewish Liberal Synagogue. Montefiore's academic honours included the honorary D.D. of Manchester, 1921, and the honorary D.Litt. of Oxford, 1927. He was twice married; first, to Therese Schorstein, who died in 1889, leaving one son; and secondly, to Florence, daughter of R. G. Ward.

**11. The Right Hon. Sir George John Talbot**, Judge of the King's Bench Division of the High Court, 1923-37, was born on June 19, 1861, eldest son of the Right Hon. J. G. Talbot, M.P., and educated at Winchester and Christ Church, Oxford, where he graduated in the Classical School. In 1886 he was elected a Fellow of All Souls College. A year later he was called to the Bar by the Inner Temple, of which he was made a Benchler in 1914, and Treasurer in 1936. He took silk in 1906. Specialising in ecclesiastical, rating, local government, and licensing cases, he had one of the largest practices before Parliamentary Committees. For several years he was Standing Counsel to the University of Oxford. Not infrequently he appeared before the Judicial Committee of the Privy Council and the House of Lords. Before the latter, he argued for the appellant, unsuccessfully, in the blasphemy case of *Bowman v. the Secular Society*. Another notable case which it fell to his lot to try, as Chancellor of the Diocese of Lincoln, was that of Archdeacon Wakeford. He was also Chancellor of the Dioceses of Ely, Lichfield, Rochester, Southwark, and Winchester. On November 13, 1923, he was nominated to fill the vacancy caused by the retirement of Mr. Justice (afterwards Lord) Darling, and continued as a Judge of the King's Bench Division until he himself retired in 1937. Among his publications were an "Index of Cases Judicially Noted"; "Modern Decisions on Ritual"; and "The Law and Practice of Licensing." In 1897 he married Gertrude, daughter of Albermarle Cator, of Woodbastwick, Norfolk, and had two sons and one daughter.

**14. Dr. Alfred Edwin Howard Tutton**, H.M. Inspector of Schools (Technological Branch), Board of Education, 1895-1924, was born at Stockport on August 22, 1864, and after leaving school spent five years in the solicitor's office of the Town Clerk of Stockport, attending science classes in the evening. In 1883 he was awarded one of the three Royal Exhibitions tenable at the Normal School of Science and Royal School of Mines, South Kensington. He gained the Murchison medal for geology, the Tyndall prize for physics, and the Frank Hutton prize for chemistry. Joining the staff of the College as assistant demonstrator in chemistry, in 1889 he was promoted full Demonstrator, and Lecturer on Chemical Analysis. On succeeding Frankland in the Chair of Chemistry, Thorpe started Tutton on the researches concerning the oxides of phosphorus, for which their joint names became well known. One result of their labours was the discovery of the cause of "phossy jaw" which attacked employees in lucifer match works. Tutton also made the calculations and maps for the magnetic survey of Scotland, which had been carried out by Professors Thorpe and Rucker; and he trained the staff which eventually did the same for the English survey, thus freeing himself for his own researches in crystallography, in recognition of which he was elected a Fellow of the Royal Society (1899). In 1895 he was appointed H.M. Inspector of Technical Schools, holding the post until he retired in 1924. For the first ten years he was centred at Oxford, where he became attached to New College, taking the degree of B.Sc. 1898, D.Sc. 1903, and M.A. 1905. Later he worked in London and in Plymouth. While in London he devised and supervised the construction, for the Standards Department of the Board of Trade, of the Tutton Inferential Comparator, for effecting official comparisons of the Imperial Standard Yard. The recorded unit of that delicate instrument was one-eighth-millionth of an inch. After his retirement in 1924 he returned to the problem of the evaluation of the Imperial Standard Yard in wave-lengths of the standard radiation of light, carrying it out in 1930-31. He published four books, the most important of which was his two-volume "Crystallography and Practical Crystal

Measurement" (1911, second edition 1922), which remained a standard work. The others were "The Natural History of Crystals" (1924); "Crystalline Form and Chemical Constitution" (1926); and "The Natural History of Ice and Snow, illustrated from the Alps" (1927). A lover of mountains and climbing, he was an authority on glacier movement, in 1935 being made a member of the International Commission on Snow. For over twelve years he gave the Gilchrist Lectures on Snow and Ice and Glacier Movement, and he had given courses of lectures at the Royal Institution and the Royal Society of Arts. He also lectured on "The Seven Styles of Crystal Architecture" at the Winnipeg meeting of the British Association (1909) and on "Crystals and Atoms" at the Kimberley meeting in 1929. In 1902 he married Margaret Loat, of Oxford, and had two sons and four daughters.

18. **Queen Marie Alexandra Victoria of Rumania**, was born at Eastwell Park, Kent, on October 29, 1875, eldest daughter of the Duke of Edinburgh, second son of Queen Victoria, and of the Grand Duchess Marie Alexandrovna, only daughter of the Tsar Alexander II. When her father, who had been Commander-in-Chief of the Mediterranean Fleet, succeeded to the Duchy of Saxe-Coburg-Gotha, the family moved from Malta to Coburg, and there the Princess spent most of her time until 1892, when she was betrothed (at Buckingham Palace) to Ferdinand, Crown Prince of Rumania, nephew of King Carol, and son of Prince Leopold of Hohenzollern. The marriage was solemnised at Sigmaringen on January 10, 1893. The first of their three sons and three daughters—Prince Carol—was born on October 16, 1893. Prince Ferdinand who succeeded to his uncle's throne on October 10, 1914, died on July 20, 1927. Queen Marie won admiration by the heroism she displayed during the epidemic of cholera in Bulgaria in 1913, and, after the war, by her work in Paris for the cause of Greater Rumania which was finally established by the Peace Treaties. A woman of great beauty and charm, she was, besides being a perfect horsewoman and an accomplished artist, well known as an author. Her publications in English were "The Dreamer of Dreams," "The Lily of Life," "Ilderim," "My Country," "The Country that I Love," and, most ambitious of all, "The Story of My Life," three volumes, 1934-35. The first two volumes dealt with her early years and her unhappy experiences as a daughter-in-law of the stern disciplinarian, King Carol, while the third volume contained a vivid picture of life in the unconquered part of Rumania behind the German lines in 1917-18.

25. **Sir Thomas Gardner Horridge**, Judge of the King's Bench Division of the High Court, 1910-37, was born at Bolton on October 12, 1857. After a few years as a solicitor in Southport he was called to the Bar by the Inner Temple in 1884. Electing to practice on the Northern Circuit, he became before long one of the busiest juniors at Liverpool and Manchester. Later he practised in the Commercial Court and on circuit. At the General Election of 1906, as a follower of Sir Henry Campbell-Bannerman, he caused a political sensation by defeating the ex-Prime Minister, Mr. Balfour, at East Manchester. He did not, however, seek re-election in January, 1910, and in the following August was appointed a Judge of the King's Bench Division. He also served in the Divorce Court and as a Judge in Bankruptcy, retiring on account of ill-health in 1937, when he was sworn a member of the Privy Council. He was elected Treasurer of the Middle Temple in 1929. He was twice married; first in 1901, to Evelynne, daughter of Melvill Sandys, of Lanarth, Cornwall, who died in 1920; and secondly to May Ethel, daughter of Captain Francis Pavy, of London, and widow of Alfred Isenberg. He left no family.

— **Sir Stanley Mordaunt Leathes, K.C.B.**, distinguished as a Civil Servant and co-editor of the Cambridge Modern History, was born in 1861, son of the Rev. Stanley Leathes, D.D., and educated at Eton and Trinity College, Cambridge, being awarded the Second Chancellor's medal in 1884. In 1886 he was elected

a Fellow of his College and gained the Cobden prize for an essay on political economy; in the following year he received the first Political Economy prize founded by Professor Alfred Marshall. From 1892 to 1903 he was Lecturer in History at Trinity College, during Lord Acton's illness acting as deputy Regius Professor of Modern History. Leathes shared with Acton much of the preliminary work in connexion with the "Cambridge Modern History," the first volume of which appeared on November 1, 1902, under the joint editorship of Sir Adolphus Ward, Sir George Prothero, and Leathes. In 1900 he became secretary of the General Board of University Studies at Cambridge. Three years later he accepted the post of secretary to the Civil Service Commission, becoming a Commissioner himself in 1907 and First Commissioner in 1910. During the war, apart from his other duties, he acted as Establishment Officer in the Ministry of Food. Besides his share in the "Cambridge Modern History" he wrote "The People of England," a remarkable book which went far to justify his claim that history was the proper school of civics and citizenship. He was made a C.B. in 1911, and K.C.B. in 1919. He was unmarried.

26. **Francis Evelyn Maynard, Countess of Warwick**, elder daughter and co-heir of Colonel the Hon. Charles Maynard, was born in 1861, and married Lord Warwick in 1881. She was a noted beauty and leader of society in the latter years of Queen Victoria's reign, but became converted to Socialism after an interview with Mr. Robert Blatchford who had criticised in his paper, *The Clarion*, a great ball which she had given in Warwick Castle. Her interest in social movements led her to establish a secondary and technical school in Dunmow for boys and girls who intended to follow rural pursuits, and a college for training in horticulture and agriculture at Studley Castle. In 1923 she was adopted as Labour candidate for Warwick and Leamington, but was defeated at a by-election by Mr. Anthony Eden, brother-in-law of her eldest son. Two years later she offered Easton Lodge to the Labour Party to be used as an International Labour University on the model of Ruskin College, but as the General Council of the Trades Union Congress was unable to find the money to make the necessary structural alterations, the offer was withdrawn. Lady Warwick's publications included "Warwick Castle and its Earls" (1903), "A Woman and the War" (1916), "Life's Ebb and Flow" (1929), "Afterthoughts" (1931). She had three sons and two daughters.

31. **Professor Harold Henry Joachim**, Wykeham Professor of Logic in the University of Oxford, 1919-35, was born on May 28, 1868, nephew of the violinist, Joachim, and of the organist, Henry Smart, and educated at Harrow School and Balliol College, Oxford. After taking his Schools, showing marked ability in philosophy, he obtained a Prize Fellowship at Merton College. In 1892 he joined the University of St. Andrews as assistant to the Professor and Lecturer in Moral Philosophy. Two years later he returned to Balliol to take up a lectureship, and in 1897 he was elected Fellow and Tutor of Merton College. There he remained until 1919, when he was appointed to the Wykeham Chair of Logic, with a Fellowship at New College, holding the post until 1935, when he retired and was made Emeritus Professor. He was regarded as the foremost representative in Oxford of the Hegelian tradition. His published works, though small in number, were all of outstanding quality. They included "Study of the Ethics of Spinoza" (1901); "The Nature of Truth" (1906); a translation with notes of Aristotle's treatise, "De Lineis Insecabilibus" (1908), and a controversy (with revised text and translation) of "de Generatione et Corruptione" (1922). He was an Honorary Fellow of Merton College, a Fellow of the British Academy, and Hon. LL.D. of the University of St. Andrews. He married his cousin, a daughter of the violinist, and had one son and two daughters.

## AUGUST.

1. **Sir David Shackleton**, a pioneer of the Labour movement, Chief Labour Adviser to the Government, 1921-25, was born at Nelson, Lancashire, in 1863, son of a watchmaker, and received his education at an elementary school, becoming at the age of 9 a half-time worker in an Accrington weaving shed. Entering the trade union movement, he was appointed secretary first of the Ramsbottom and then of the Darwen Weavers' Association. In the year 1908-09 he was president of the Trade Union Congress. At a by-election in 1902 he was elected, unopposed, Labour Member of Parliament for Clitheroe, and represented that constituency for ten years. In 1910 Mr. Winston Churchill, then Home Secretary, appointed him Senior Labour Adviser to the Home Office. Two years later he became National Health Insurance Commissioner, and in 1916, when the Ministry of Labour was formed, he was made its Permanent Secretary. In 1921 he was appointed Chief Labour Adviser, holding the post until he retired in 1925. He was a member of the Industrial Transference Board in 1928 and of the South Wales Coal Mines Arbitration Tribunal in 1934. In 1917 he was made K.C.B. He married in 1883 and had one son and one daughter.

4. **William Babington Maxwell**, novelist, was born in 1866, son of John Maxwell, publisher, and his wife, Miss Braddon, authoress of "Lady Audley's Secret." After a brief spell as an art student he became manager of one of his father's magazines, but soon abandoned that occupation in favour of writing, his first contributions appearing in the *World*. On the advice of Grant Richards he tried his hand at fiction, and after producing, in 1900, "The Countess of Maybury," followed it up with a novel each year until 1913. Notable among these were "The Guarded Flame" (1906) and "The Devil's Garden" (1913), the latter being inexplicably attacked for its outspokenness on moral subjects and banned by the Library Association. After "The Mirror and the Lamp" (1918) he wrote a number of other novels maintaining a high standard of craftsmanship, the last being a trilogy, "Tudor Green" (1935), "The Emotional Journey" (1936), and "Everslade" (1937), which appeared under the general title of "Men and Women." His autobiography, "Time Gathered," was published in 1938. He was chairman of the Society of Authors and of the National Book Council. He married Sydney Moore, daughter of an Indian civilian, and had one son and one daughter.

7. **Constantin Stanislavsky** (Constantin Sergeevich Alexeyeff), co-founder and director of the Moscow Art Theatre, was born in that town on January 18, 1836, son of a rich millowner and grandson of a French actress. With the idea of an operatic career he obtained an appointment as Director of the Musical Society, but the teaching of Schepkin of the Imperial Little Theatre decided him against it, and he founded the Alexeyeff Circle, which merged into the more formal Society of Art and Literature. Successful as was the work of that society, Stanislavsky had higher ambitions, and these were realised when, after a long talk with the playwright and critic, Vladimir Ivanovitch Nyemirovich-Danchenko, the Moscow Art and Popular Theatre (as it was originally called) was founded in 1898. Their first production, *Tsar Fyodor Ivanovich*, which was given in the Hermitage in Karetny Row, met with instant approval, but their fortunes were not put on a really firm foundation until, two months after the opening of the first Moscow Art Theatre season, they produced Tchekov's *The Seagull*, which had been a failure in St. Petersburg. Stanislavsky, who had evidently been inspired by a visit of Cronegk's Meiningen Players, carried their methods of "group" production to great lengths, "Naturalism" in his theatre reigning supreme. Rehearsals not infrequently lasted a year, but strangely enough, although individuality in actors was autocratically suppressed, some of the finest individual actors of the day were produced, notably Kachaloff and Moskvín.

Severely hit in the early days of the Bolshevik Revolution, the Moscow Art Theatre revived with the coming of Lenin's New Economic Policy, although its work was to some extent conditioned by Bolshevik political needs. In 1922 Stanislavsky took his company on a two years' tour around the European capitals. On the occasion of his seventieth birthday, January 18, 1933, he was awarded the Order of the Red Banner by the Soviet Government.

9. **Dr. Leo Frobenius**, famous German explorer, President of the Frankfurt Research Institute for Cultural Morphology, 1924-38, was born in Berlin on June 29, 1873. For some years he worked at the Ethnological museums of Bremen, Leipzig, and Basle, but in 1904 he founded the German Central African Research Expedition, and embarked on his first journey to the Congo Basin, which lasted until 1906. Between 1907 and 1915 he made six further journeys which took him to the Upper Niger, Timbuctoo, Togoland, the Northern Sahara, the Western Sudan, Khartoum, El-Obeid, Algeria, Tunisia, Turkey, and Northern Abyssinia. From experience gained on these journeys he developed his so-called "doctrine of cultural continuity." His conclusions were, that the development of the various phases of civilisation took place in a manner exactly similar to the growth of a living organism, a contention which was hotly attacked by naturalists, biologists, and philosophers. In 1928, with seven assistants, he set out on an African expedition, in which he visited the Zimbabwe ruins in Rhodesia, and decided that, contrary to British opinion, Zimbabwe had 6,000 years ago been an outpost of Sumerian and Babylonian culture and that it offered no evidence of an early Bantu negro civilisation. From excavations made on the site he deduced that the Iron Age began in Africa 1,000 years earlier than in Europe, and that the art of working in iron had come to Africa from India and Madagascar. At the end of the expedition he received 5,000*l.* from the South African Government to finance further studies. Next he visited India to study the connexion between South African and Indian civilisation. In 1932 he went to Tripoli, where he studied the prehistoric course of the Nile, some 100 miles west of the present course. His twelfth and last expedition began in 1934, when he penetrated the depths of the Sahara desert, reaching the source of the river Ouwenat, but an attack of blood poisoning forced him to cut short his journey. On returning to Europe he was appointed director of the Racial Museum at Frankfurt. Since 1924 he had been president of the Research Institute for Cultural Morphology. His major publications included "Indian Journey" and "Atlantis: The Folk-Tales and Poetry of Africa," 12 volumes, 1930.

14. **Sir Landon Ronald**, musician, Principal of the Guildhall School of Music, 1910-37, was born of Jewish parentage on June 7, 1873, son of the composer of "A Life on the Ocean Wave," and other popular songs. After studying at the Royal College of Music, his career began in 1891 when he played the piano accompaniment to the wordless play, *L'Enfant Prodigue*, first at the Prince of Wales's Theatre (1891) and then on tour, playing Wormser's music over 3,000 times. Later he became assistant conductor at Covent Garden, gaining wide experience of theatrical music there and also at Drury Lane. In 1894 he made his first visit to America as conductor for Mme. Melba, and in 1897 and 1898 appeared before Queen Victoria at Windsor and at Balmoral. In 1908, after having conducted concerts at Birmingham and elsewhere, he took charge of the Royal Albert Hall Orchestra (renamed the New Symphony Orchestra) and scored his first successes with Tchaikovsky's symphonies. He inaugurated the Albert Hall Sunday Concerts, accepted from time to time engagements with the Royal Philharmonic Society, and in later years conducted symphony concerts for the B.B.C., notable among which were those in celebration of Elgar's 75th birthday in 1932. His interpretation of the works of Elgar was regarded by many as his most important service to English music. In 1910 he succeeded Dr. W. H. Cummings as Principal of the Guildhall School of Music, retiring in 1937. As a composer he nearly equalled the popularity of his father's productions with the

song, "Down in the Forest Something Stirred." He was knighted in 1922 and made a Fellow of the R.C.M. in 1924, in which year he published his reminiscences under the title of "Variations on a Personal Theme." He had been chairman of the Musical Conductors' Association since 1916, president of the Incorporated Society of Musicians in 1924, honorary freeman of the Musicians' Company, and chairman of the Musicians' Benevolent Fund. A music journalist, he was appointed editor in chief of *Musical News* in 1928 and music editor of the *News Chronicle* in 1932. He was twice married; first, to Fräulein Mimi Ettlinger, who died in 1932, leaving one son; and, secondly, to Miss Mollie Callison of Didsbury, Manchester.

25. **Aylmer Maude**, authority on Tolstoy, was born on March 28, 1858, son of the Rev. F. H. Maude, of Ipswich, and after being educated at Christ's Hospital went, at the age of 16, to Moscow, where he attended the Lyceum. That was followed by three years' tutorial work in Moscow, and from 1890 to 1897 he was associated with a carpet company there, first as business manager, and then as a director. Returning to England in 1897 he helped to arrange the emigration to Canada of thousands of Doukhobors, a Russian religious sect. (An interesting article on this work, written by Maude, appeared in *The Times* on November 19, 1924.) In 1918 he visited Russia again as a lecturer for the Universities' Committee of the Y.M.C.A. Although he wrote many books on various subjects he was best known as an interpreter of Tolstoy and as a translator of his works, a task for which he was eminently fitted by reason of his intimate friendship with the author and his thorough knowledge of the Russian language. In 1908 he published the first volume of his "Life of Tolstoy: the First Fifty Years," the second volume, dealing with Tolstoy's philosophical period, appearing two years later. He also translated and edited Count Sergius Tolstoy's compilation "The Final Struggle." In 1884 he married Louise Shanks and had four sons.

29. **Joseph Bédier**, one of the foremost authorities on French medieval literature, was born in Paris in 1864 and educated at the École Normale. Early attracted towards the Arthurian literature and gifted with the capacity of piecing together legends and traditions into literary forms of rare grace (a gift akin to that possessed by the brothers Grimm), he produced work in this field which won for him a European reputation. His publications included "Le Roman de Tristan et Yseult" (1900-20), "Les Chansons de Croisade" (1909), "La Chanson de Roland" (1921-26), and "La Formation des Légendes Epique" (1908-17). His "Histoire de la Littérature française" (1923) received the special commendation of the Académie Française, to which Bédier was elected in 1920. He held the Chair of French Literature at Fribourg (1889-91), Caen (1891-93), and the Collège de France (1893). After teaching at the last-named institution for thirty-two years he was appointed administrator, a post he held until his death (1925-38). Among his academic distinctions was that of Hon. D.Litt of Oxford.

## SEPTEMBER.

7. **Dr. Charles Claude Carpenter**, president of the South Metropolitan Gas Company, 1908-37, was born in 1858, and after studying at Birkbeck College, began his association with the Company by becoming a pupil at its Vauxhall works, of which he was appointed engineer at the age of 26. He was made deputy chief engineer in 1897 and chief engineer two years later. On the death of Sir George Livesey in 1908, Carpenter was invited to join the board of directors who very soon afterwards elected him chairman, a title which was later changed to that of president. He also became chairman of the South Suburban and Commercial Gas Companies, and was at one time chairman of the European Gas Company which supplied gas to several important cities in France. One of the first leaders of the industry to recognise that the manufacture of gas was a

chemical process, he set to work to produce gas of a standardised quality, and to that end patented a standardised burner. He also devised an improved form of test burner for ascertaining the illuminating value of gas, which was adopted by the Gas Referees as the Metropolitan Argand No. 2. Most important of all was his part in the introduction of the therm system of charge, under which a consumer paid for the actual heat value of the gas burnt, not merely for its volume irrespective of quality. In addition, he devised the basic price and basic dividend system which was adopted by many gas undertakings in Great Britain. When in March, 1937, his health broke down, he resigned the chairmanship while retaining his seat on the board. He was a firm believer in the principles of co-partnership long before it became the accepted practice of the gas industry. In 1895 he was president of the Institution of Gas Engineers, and in 1915-17 of the Society of Chemical Industry, which awarded him a medal in 1923. He was a member of the Institution of Civil Engineers, serving on its council, and was a founder of the Association of British Chemical Manufacturers. During the war he was a member of the Munitions Inventions and the Nitrogen Products Committees, for his services to which he was made a C.B.E. He was also a Knight of Grace of the Order of the Hospital of St. John of Jerusalem, and was an honorary D.Sc. of Leeds University. He married, in 1896, Amy Florence, daughter of Richard Phillips.

12. **Prince Arthur Frederick Patrick Albert of Connaught** was born at Windsor on January 13, 1883, second child and only son of the Duke of Connaught and Princess Louise of Prussia. After being educated at Eton, he went to Sandhurst and was commissioned to the 7th Hussars. In 1907 he was promoted captain in the Royal Scots Greys (of which regiment he was made Colonel-in-Chief in 1921), and saw active service in the South African War. In the Great War he was an extra A.D.C. successively to Sir John French, Sir Douglas Haig, and to Sir C. C. Monro, and was also G.S.O.2, Canadian Corps. He retired as brevet lieutenant-colonel in 1919 and was made Hon. Major-General in 1920. As representative of the Crown, he was entrusted with several important missions. At the age of 23 he went to Japan (which he also visited in 1912 and 1918) to invest the Emperor Mutsuhito with the Order of the Garter, and in 1908 he represented King Edward VII at the funerals of King Carlos and the Crown Prince of Portugal. In 1911 he undertook various complimentary missions—to Russia, to Bavaria, and to Italy on the occasion of the fiftieth anniversary of the founding of that Kingdom. He also acted as one of the Counsellors of State during King George V's Durbar tour, 1911-12. In 1920 he was appointed Governor-General of the Union of South Africa, his term of office being extended by one year. He was the first Chancellor of the Witwatersrand University. A Freemason since 1911, he was appointed a Past Grand Warden in 1914 and Provincial Grand Master for Berkshire in 1924. He was a Bencher of Gray's Inn, a Fellow of the Royal Society and of the Royal Geographical Society, a Governor of Wellington College, president of the West London Hospital, of the Royal London Ophthalmic Hospital, and chairman of the Middlesex Hospital. He was sworn of the Privy Council in 1910, was K.G., K.T., G.C.M.G., and G.C.V.O., had the Royal Victorian Chain, and honorary degrees from Oxford and Cambridge. During the war he was made a C.B. and he received the French and Belgian Croix de Guerre *avec palmes*. In October, 1913, he married his first cousin once removed, her Highness the Duchess of Fife, daughter of the first Duke of Fife and the Princess Royal, and had one son, the Earl of Macduff, born in 1914.

13. **Professor Samuel Alexander, O.M.**, distinguished philosopher, was born in Sydney, New South Wales, on January 6, 1859, and educated at Wesley College, Melbourne, at the University of Melbourne, and at Balliol College, Oxford, where he took First Classes in Classical Moderations, in Mathematical Moderations, and in *Lit. Hum.* Elected a Fellow of Lincoln College in 1882,

he remained there until his appointment to the Professorship of Philosophy at the Victoria University of Manchester in 1893. He first became known outside the circle of his colleagues when he published his *magnum opus*, "Space, Time, and Deity," based on a series of presidential addresses to the Aristotelian Society, which he joined in 1885. His other works included "Moral Order and Progress" (1889), for which he was awarded the Green Moral Philosophy Prize; a Study of Locke (1908), "Spinoza and Time" (1921), "Art and Material Beauty" (1925), and "Beauty and Other Forms of Value" (1933). He was a Fellow of the British Academy, 1913; President of the Aristotelian Society, 1908-11; Gifford Lecturer at Glasgow, 1916-18; and Herbert Spencer Lecturer at Oxford in 1927. In 1930 he received the Order of Merit. He was also Hon. LL.D. of St. Andrews, Hon. D.Litt. of Oxford and of Durham, and Hon. Litt.D. of Cambridge and of Liverpool. After relinquishing the Chair of Philosophy at Manchester his bust in bronze by Epstein was unveiled by the sculptor himself at the University Arts Building. His place in philosophical thought was admirably summed up in his obituary notice in *The Times*: "Of all the great types which modern philosophy has produced he most nearly suggested Spinoza, whom he seemed to resemble not alone in kindliness of disposition and simplicity of life and singleness of devotion to philosophy, but in the whole tone of his thought and the character of his speculation. He too was a Jew, and like his great forerunner, his Judaism distinctly marked his outlook on the world problem." Alexander was unmarried.

23. Major Sir Andrew MacPhail, a distinguished Canadian, was born of pure Highland Scottish blood in the Orwell district of Prince Edward Island, on November 24, 1864, and educated at Prince of Wales College, Charlottetown, and the McGill University. Having chosen medicine as his profession he spent three more years at McGill, becoming M.D., C.M., in 1891, and afterwards took a course at the London Hospital. He returned to Canada in 1895 and between then and 1906 held the posts of Professor of Pathology at the University of Bishop's College, Lennoxville, and Pathologist to the Western Hospital and the Protestant Hospital for the Insane. He also built up a private practice. Meanwhile, in 1893, he married Georgina Burland, of Montreal, whose ample fortune completely altered his financial circumstances. With a keen desire to write—as a student he had been a reporter on the *Montreal Star*—he became a contributor to medical journals, besides editing the Canadian Medical Association's *Journal*, and the *University Magazine*, a quarterly review which became the forum for the higher literary activities of the Dominion. In politics a Conservative free trader, he left his party over the reciprocity issue of 1911. During the war, although well over military age, he served with the Sixth Canadian Field Ambulance. In addition to his journalistic work, he published "Essays in Puritanism," "The Vine of Sibmah," "Essays in Fallacy," "The Book of Sorrow," an anthology; a biography of his friend and colleague Colonel John McCrae; a translation of Louis Hémon's "Maria Chapdelaine"; the first volume, covering the medical phases, of the Canadian Official History of the War; "Three Persons," reviews of the autobiographical works of Sir Henry Wilson, Colonel House, and Colonel Lawrence; and "The Bible in Scotland." A F.R.C.S. (England) and L.R.C.P. (London), he was knighted in 1918 and made an O.B.E. in 1919. His wife died in 1902 and he was survived by a son and a daughter.

24. Sir Philip Dawson, consulting electrical engineer, was born in Paris in 1867, and educated at Ghent and Liège Universities. As a partner in the firm of Kincaid, Waller, Manville & Dawson, he was brought into association with dock, harbour, electric traction and power developments in the British Isles, the Empire, and on the Continent. His linguistic facility in French, German, Italian, Flemish, Portuguese, and Russian was of great advantage to the firm in respect of Continental and South American undertakings. For twenty-five years he served in an advisory capacity with the London, Brighton, and South Coast Railway, and was responsible for its early electrification. During the war



he was a member of the Disposals Board of the Ministry of Munitions. He was also a member of the Railway Electrification Advisory Committee of the Ministry of Transport and the Water Power Resources Committee of the Board of Trade, and although a British subject, was appointed vice-president of the Belgian Royal Commission which investigated and reported on the electrification of the State Railways and on the unification of the Belgian electric power supply. Settling in Sydenham in 1902 he soon became identified with local affairs. He was one of the founders of the Sydenham and Forest Hill National Defence League, and later commanded the 3rd Volunteer Battalion Royal West Kent Regiment. He served on the London County Council as member for West Lewisham, and since 1921 had been Conservative Member of Parliament for that constituency. In October, 1937, he became president of the Institute of Fuel, and in April, 1938, chairman of the newly appointed Anglo-Italian Parliamentary Committee. Besides "Germany's Industrial Revival" (1926), he was the author of text-books and monographs on electric traction and power supply, which gained for him the George Stephenson gold medal of the Institute of Civil Engineers, the gold medal of the Institute of Transport, and the Albert medal of the Royal Society of Arts. For his services to Belgium during the war he was created Chevalier de l'Ordre de Leopold in 1919, and he was knighted in 1920. Sir Philip, who married, in 1898, Lucy Hume, daughter of Prebendary Simpson, Rector of Fittleworth, Sussex, and had two sons and one daughter, died in Berlin when returning from an Inter-Parliamentary Business Congress at Warsaw.

25. **Admiral Sir Heathcoat Grant, K.C.M.G., C.B.**, was born on February 13, 1864, son of Captain John Grant, of Glenmoriston. After being educated at Stubbington School, Fareham, he entered the Navy in 1877 and served in the Channel Squadron and on the Australia station before passing for lieutenant, when he joined the gunboat *Wrangler*, attached successively to the Cape and North American stations. In 1899 he was promoted to commander, and when Lord Fisher became Commander-in-Chief in the Mediterranean, Grant was transferred to the Admiral's yacht *Surprise*. He was promoted to captain in 1904. In 1908 he accepted the administrative post of Scottish Coastguard District commander but returned to sea in 1911. A year later he was appointed Naval Attaché in Washington, remaining there for two years. In England when the war began, he was appointed to the command of the battleship *Canopus* in the Channel Fleet. He took part in the operations connected with Cradock's reverse at Coronel and Sturdee's victory at the Falklands; served in action at the Dardanelles; and was afterwards Admiral-Superintendent at Dover and Senior Naval Officer at Gibraltar. He was promoted vice-admiral in 1920 and admiral on the retired list in 1929. Besides being a K.C.M.G. and a C.B., he received the Legion of Honour (Commander), the United States Distinguished Service Medal, the Order of the Crown of Italy, the Portuguese Order of Aviz (Commander), and the Spanish Order of Merit. He married, in 1899, Ethel, daughter of Andrew Knowles, of Swinton Old Hall, Lancashire, and had three sons and three daughters.

— **The Right Hon. Tom Shaw**, Minister of Labour, 1924, and Secretary of State for War, 1929-31, was born at Colne, Lancashire, on April 9, 1872, and entered a mill as a half-timer at the age of 10, supplementing his elementary school education by attending night schools, where he developed a remarkable aptitude for foreign languages. Before he was 21 he became an official of the Colne Weavers' Association. Later he was appointed the first secretary of the Northern Counties Textile Federation. In 1911 he was elected secretary of the International Federation of Textile Workers, holding the post until 1929. After the war, during which he was Director of National Service for the Midlands Division, he assisted in the revival of the Labour and Socialist International, holding the joint secretaryship with Friedrich Adler for three years. Elected Member of Parliament for Preston in 1918, he became Minister of Labour in the

first Labour Government, and in the second Labour Government was Minister for War. Less at home in politics than in trade unionism, he returned to the latter sphere of activity, and was taken ill in Belgium while attending a Congress of the International Federation of Textile Workers.

**26. Admiral Robert Hamilton Anstruther, C.M.G.**, who was born on June 10, 1862, son of Sir Robert Anstruther, fifth baronet, entered the Navy in 1875, becoming a lieutenant ten years later. He was promoted to commander in 1897 and to captain in 1904. In 1912 he was made Commodore-in-Charge at Hong-Kong and in that capacity when war broke out was instrumental in guarding the trade routes between Singapore and Hong-Kong. He was promoted to flag rank in 1915, to vice-admiral in 1919, in which year he retired from active duty, and to admiral on the retired list in 1924. A linguist, in addition to qualifying as interpreter in German, he compiled with Captain Settembrini, of the Italian Navy, an Italian and English nautical phrase-book (1893). During 1923-24 he was president of the Association of Retired Naval Officers. In 1907 he was made C.M.G. for his service as Senior Officer of the Newfoundland Fisheries, and on leaving the Far East in 1916 was awarded the second class of the Order of the Rising Sun by the Japanese Government. He married, in 1890, Edith Flora, second daughter of William Peel, of Blackwater, and had one son.

— **The Most Rev. John Godfrey Fitz-Maurice Day**, Archbishop of Armagh and Primate of All Ireland, was born on May 12, 1874, son of the Right Rev. Maurice Day, Bishop of Clogher, and educated at Pembroke College, Cambridge, where he graduated in the Theological Tripos in 1896 and proceeded M.A. in 1902. After studying at Ridley Hall he was ordained in 1897 and became curate, first of St. Thomas's, Coventry, and then of St. John's, Hoxton, after which, in 1902, he went to Delhi as a missionary of the Cambridge University Mission. Returning to England in 1909 he was appointed curate and minor canon of St. Canice's Cathedral, Kilkenny. He became curate of St. Ann's Church, Dublin, in 1911 and vicar in 1913. He was chaplain to the Lord-Lieutenant of Ireland, 1913-20; honorary chaplain to the Archbishop of Dublin, 1915-20; Professor of Pastoral Theology at Trinity College, Dublin, during the same period, when he was also Select Preacher. Appointed a canon of Christ Church Cathedral, Dublin, in 1914, he held that office until 1920 when he was made Bishop of Ossory, Ferns, and Leighlin. He had succeeded Dr. D'Arcy as Archbishop of Armagh and Primate of All Ireland in April, 1938. In 1932 he published as joint author a work entitled "The Cathedrals of the Church of Ireland." He married, in 1922, Cicely Dorothea, daughter of R. Langrishe, of Kilkenny.

**28. William Harrison Moreland**, one of the leading authorities on the economic aspects of land revenue in India, was born on July 13, 1868, and educated at Clifton and Trinity College, Cambridge. In 1886 he entered the I.C.S., being posted to the United Provinces. His aptitude for land settlement work soon became apparent, and for some twelve years he was Director of Land Records and Agriculture. After he retired in 1914 he served as Agricultural Adviser to the State of Indore. On returning to England he became associated with the weekly *Indiaman* (afterwards *Great Britain and the East*). His publications included "India at the Death of Akbar: An Economic Study" (1920), "From Akbar to Aurangzab" (1923), and "The Agrarian System of Moslem India" (1929). He collaborated with Professor Geyl in a translation of "Jehangir's India," written by an observer, Francisco Pelsaert, who sailed to India in the service of the Dutch East Company in 1618, and with Sir Atul Chatterjee in "A Short History of India" (1936). He also prepared two volumes for the Hakluyt Society—"Relations of Golconda" (1931) and "Peter Floris" (1934); and to "Modern India" (edited by Sir John Cumming, 1932) he contributed an exposition of agrarian matters entitled "Peasants, Landholders, and the State." He was made C.I.E. in 1905 and C.S.I. in 1912. Moreland was unmarried.

## OCTOBER.

10. **Lord Hawke (the Right Hon. Martin Bladen Hawke, seventh Baron Hawke)**, cricket captain and administrator, was born in Lincolnshire on August 16, 1860, second son of the Rev. Lord Hawke, sixth baron. He was educated at Eton and Magdalene College, Cambridge, gaining his cricket blue as a freshman. Before leaving the University he played for the Yorkshire County Club, which, under his captaincy, 1883-1910, became one of the strongest teams in the country. He did much to improve the lot of professional cricketers, instituting winter pay, and formulating a scheme whereby they could invest a proportion of their benefit funds. When he retired from first-class cricket he remained president of the county club until his death. He was elected president of the M.C.C. in 1914, holding office for the record period of five years. On the death of Lord Harris, in 1932, he became honorary treasurer. With cricket teams he visited Australia, Canada, India, South Africa, New Zealand, the U.S.A., and South America. He served with the 3rd Battalion, The Green Howards, retiring in 1894 with the rank of Hon. Major. Lord Hawke, who succeeded his father in 1887, married in 1916 Maude, daughter of William Peacock Edwards, and widow of Arthur Graham Cross. As there was no issue the barony passed to his brother, the Hon. Edward Julian Hawke.

13. **John Thomas Brownlie**, president of the Amalgamated Engineering Union, 1920-30, was born at Port Glasgow in 1865, and at the age of 10 became an errand boy. Later he was apprenticed, first to a blacksmith and then to a Glasgow engineering firm. When he was 23 he removed to London, working at the Royal Arsenal, Woolwich, for ten years. Becoming active in the trade union movement, he rose steadily until in 1913 he was appointed chairman of the Executive Council of the Amalgamated Society of Engineers. In 1920 when the A.S.E. joined other unions to form the Amalgamated Engineering Union he was elected president, holding the office until he reached the age limit ten years later. During the war he was a member of the National Advisory Committee on War Output. In 1922 he led the engineering workers in a long strike on the issue of "managerial functions." He was a member of the Balfour Committee on Industry and Trade, 1924-29, and a member of the Royal Commission on Police Powers and Procedure, 1928-29. He was a fraternal delegate from the Trade Union Congress to the Canadian Trades and Labour Congress in 1924, and to the Convention of the American Federation of Labour in 1929. For a number of years he was a member of the management committee of the Royal Arsenal Co-operative Society. As Labour candidate he contested Govan in 1910, Crewe in 1918, and Sunderland, at a by-election in 1931, but on each occasion was defeated. He died suddenly in the Canadian Pacific liner *Duchess of Richmond* en route for England. He was made C.B.E. in 1917.

16. **May (Mary) Morris**, daughter of William Morris, was born on March 25, 1863, and educated at Notting Hill High School. From an early age she had studied designing, but achieved her greatest success as an embroidress with the Morris-Rossetti-Burne-Jones firm. After the death of her parents she practised and taught embroidery on her own account. She was also a pioneer in the revival of English jewelry, lecturing on that subject, as well as on embroidery, in England and America. Closely associated with most of the art movements of her day, she was on the committees of the Arts and Crafts Exhibition Society, and of the Society for the Preservation of Ancient Buildings. She was also one of the founders of the Women's Guild of Arts. Her outstanding literary accomplishment was the editing of the complete works of William Morris in 24 volumes, to each of which she supplied an introduction.

— **The Right Hon. Lord Edward Montagu Cavendish Stanley**, Secretary of State for the Dominions, 1937-38, was born on July 9, 1894, elder

son of the Earl of Derby, and educated at Eton and Magdalen College, Oxford, which he left after two years on receiving a commission in the Grenadier Guards. He was appointed A.D.C. to the G.O.C. 2nd Army Corps in 1914, was Adjutant of the Household Battalion, and also Captain on the Staff, 1917-18, in the latter year being made Brigade Major. At the time of his death he was Honorary Colonel, 9th Battalion, The Manchester Regiment. While on active service he was wounded, and he was awarded the M.C. and the Croce di Guerra. He entered the House of Commons at the age of 23 in 1917, but did not serve in the Coalition Parliament, 1918-22, returning at the General Election in the latter year, when he was elected by the Fylde Division of Lancashire, which he continued to represent until his death. After three years as a Whip in Mr. Baldwin's second administration he became deputy chairman of the Conservative Party, but resigned in 1929 in order to devote his time to the Junior Imperial League, of which he was chairman, 1927-33, and president, 1933-38. In 1931 he was made Parliamentary and Financial Secretary to the Admiralty, holding the post for over five years, with the exception of a short period as Under-Secretary for the Dominions. In 1937 he was transferred to the India Office, but a year later (May, 1938) was appointed Dominions Secretary and promoted to Cabinet rank. In 1917 he married the Hon. Sybil Louise Beatrix Cadogan, eldest daughter of Viscount Chelsea, second son of the fifth Earl Cadogan, and had three sons. Lord Stanley, whose health for some years had given rise to periods of anxiety, was taken ill while on a visit to Canada.

17. **Karl Johann Kautsky**, historian of socialism, was born in Prague on October 16, 1854, and studied history and philosophy in Vienna, after which he settled in Zürich, where he wrote studies of scientific and practical Socialism. In 1881 he came to England to be secretary to Friedrich Engels. Two years later he founded the Socialist magazine, *Neue Zeit*, which appeared in Stuttgart and which he edited until 1917. In 1919 he was appointed co-ordinate Secretary of State in the Foreign Office of the German Republic, and was charged with the investigation of the causes of the war. After examining nearly nine hundred documents he came to the conclusion that there had existed "a conspiracy at the very least against Serbia and Russia, if not against the whole world." England, France, and Russia he acquitted of guilt for the war. When Kautsky, with his co-editors, Count Montgelas and Professor W. Schücking, were authorised to publish their findings, the terms of the Turco-German Treaty of Alliance signed in Constantinople on August 2, 1914, were first revealed to the general public. A pupil and personal friend of Karl Marx, Kautsky was looked upon as an authority on Socialist theory; in "The Dictatorship of the Proletariat" (1920) he criticised Lenin's system of government, maintaining that he completely distorted Marx's reference to the dictatorship. Marx, he said, was not thinking "of a form of government, but of a condition which must everywhere arise when the proletariat has conquered political power." In "Bolshevism at a Deadlock" (1931) he strongly criticised the Five Year Plan, feeling that it offended against Marx's doctrine that the whole economic structure will be disorganised unless the balance between the various branches of production is maintained. Notable among Kautsky's many other books was "Are the Jews a Race?" (1926) in which he prophesied the defeat of Zionism, and expressed the opinion that the Jews should turn their backs on the futile aspiration of an antiquated nationalism and take "the only path to salvation that is available to them: an energetic participation in the class struggle of the proletariat." When the Nazi Party came into power, and he was compelled to leave Germany, he went to Austria. Later he lived in Prague, and finally in Holland, dying in Amsterdam.

18. **James Frederick Chance**, vice-president of the Royal Historical Society, an expert on Baltic policy in the eighteenth century, was born on April 9, 1856, third son of Sir James Chance, first baronet, and was educated

at Eton and Trinity College, Cambridge. On leaving the University he entered the family firm of Chance Brothers, becoming a partner in due course. Later he retired and devoted himself to writing, producing several works on the history of the family business, as well as a book on "The Pattinsons of Kirklington." Making an exhaustive research into the politics and diplomacy of the Baltic countries in the eighteenth century, he published "George I and the Northern War" in 1909, and "The Alliance of Hanover" in 1923. For the Royal Historical Society he edited "British Diplomatic Instructions," a series of volumes on the lines of the French *Recueil des instructions*. From 1917 to 1928 he was honorary secretary of the Eton War Memorial Fund, discharging his onerous duties with marked efficiency. He was unmarried.

20. **Captain Sir Arthur Young**, Governor of the Straits Settlements, 1911-19, was born on October 31, 1854, son of Colonel Keith Young, C.B., and after being educated at Edinburgh Academy and Rugby, entered the Royal Military College, Sandhurst. He served with the 27th Inniskillings from 1874 to 1878, and then joined the Colonial Service as Local Commandant of Military Police, Kyrenia, Cyprus, and successively filled the appointments of Assistant Commissioner at Paphos (1878) and Famagusta (1882). Two years later he resigned his commission in the Army with the rank of captain. In 1892 he was promoted Director of Surveys and Principal Forest Officer, Cyprus, and became a member of the Legislative Council. He was appointed Chief Secretary in 1895, and administered the government of the island on various occasions from 1896 to 1905. In the following year he was transferred to the Straits Settlements as Colonial Secretary, becoming Chief Secretary to the Government, Federated Malay States, in 1910, under Sir John Anderson, whom he succeeded as Governor of the Straits Settlements and High Commissioner for the Malay States in 1911. When he retired in 1919 he had broken all records for length of service as Governor of the Straits Settlements under the Colonial Office. His term of office saw the raid on Penang by the *Emden* in 1914; the mutiny of the 5th Light Infantry at Singapore, February, 1915; the opening of the Empire Dock (finishing the great dock scheme), 1917; and the completion of the railway line between Bangkok and Singapore, 1918. He was made a C.M.G., 1897; K.C.M.G., 1908; G.C.M.G., 1916; and K.B.E., 1918. In 1885 he married Lady Evelyn Kennedy, daughter of the second Marquess of Ailsa, and had one son, who died in childhood.

22. **Sir Robert Ludwig Mond**, famous chemist and archaeologist, was born at Farnworth, near Widnes, Lancashire, on September 9, 1867, son of Dr. Ludwig Mond, F.R.S., and brother of Alfred Mond, afterwards first Baron Melchett. He was educated at Cheltenham College, St. Peter's College, Cambridge, Zürich Polytechnicum, and at Edinburgh and Glasgow Universities. During his early years he collaborated with his father in discovering the gaseous metallic compound nickel carbonyl, which led to the Mond carbonyl process for refining nickel. On the death of his father in 1910 he went to live at Combe Bank, Sevenoaks, where he continued his chemical studies, particularly in relation to various aspects of agriculture. From his model farm he sent "pure" milk to the Infants' Hospital, Vincent Square, Westminster, which he founded as a memorial to his first wife. From Combe Bank he also perfected the industrial production of iron carbonyl, and discovered the first derivative of a metallic carbonyl (cobalt nitroso-carbonyl), as well as a new ruthenium carbonyl. As chairman of the Mond Nickel Company in 1919 he was primarily responsible for initiating the enterprise of separating and refining the platinum metals from the end-products of the Mond carbonyl process. He was no less keen as an archaeologist and antiquary, spending much time digging in Egypt, Palestine, and Brittany. In 1932 three countries conferred decorations on him to mark the completion of his 30 years' archaeological work. He was also Hon. LL.D. of Liverpool and Toronto, F.S.A., F.R.S. (Ed.), F.Ph.S., F.G.S.,

F.C.S., F.Z.S., and F.R.S. His benefactions to enterprises of a scientific and philanthropic nature were frequent and generous. In 1932 he gave a new dome and four cameras to the Norman Lockyer Observatory at Sidmouth. He also helped French scientific societies, in particular the *Maison De La Chimie*, Paris, to which on one occasion he sent a cheque for 1,000,000 francs. In 1936 he was made president of the British Institute in Paris. To the United Services Institution he presented 900 miniature figures representing every regiment in Napoleon's army. He was twice married; first in 1898 to Helen Edith, daughter of Julius Levis, who died in 1905, leaving two daughters; and secondly, to Marie Louise, daughter of G. J. Le Manach, of Brittany.

25. **Sir George Middleton**, ecclesiastical administrator, was born of yeoman stock at Ramsay, Huntingdonshire, in 1876, and after being educated at the Church school, started work in the Post Office. Moved by the unfair conditions of service at that time, he turned to politics and became a leader in the Union of Post Office Workers, and editor of its magazine. In 1922 he was elected Labour Member of Parliament for Carlisle, holding the seat until 1931. During the Labour Government of 1924-25 he was Parliamentary Private Secretary to the Secretary of State for India, and later, as also during the second Labour Administration of 1929, Parliamentary Church Estates Commissioner. In 1931 he succeeded Sir Lewis Dibdin as First Church Estate Commissioner. In the following year he was appointed chairman of committees at Queen Anne's Bounty, and was made treasurer in 1935. He also became a councillor of the Corporation of Church House. His first years at Queen Anne's Bounty were occupied with the agitation against tithe, and that was no sooner settled by the Act of 1936 than the question of the nationalisation of coal royalties arose. Enjoying the confidence of all mineral owners, his wise and moderating counsels secured insistence on equitable rights. Always an indefatigable worker, Sir George—he was knighted in 1935—died suddenly at a meeting of the Corporation of Church House, leaving a widow, one son, and two daughters.

27. **Dr. Lascelles Abercrombie**, poet and critic, Goldsmiths' Reader in English at Oxford University, 1935-38, was born on January 9, 1881, and educated at Malvern College and Victoria University, Manchester, where his studies were chiefly concerned with scientific subjects. In 1919 he was appointed Lecturer in Poetry at Liverpool University, remaining there until 1922, when he moved to Leeds University as Professor of English Literature. Seven years later he accepted a similar appointment in the University of London (Bedford College), holding it until he went to Oxford in 1935. He had also been Clark Lecturer at Trinity College, Cambridge, 1923; Ballard Matthews Lecturer, University College, Bangor, 1924; Leslie Stephen Lecturer, Cambridge, 1931-32; Lecturer in Fine Arts (Poetry), Queen's University, Belfast; and Turnbull Lecturer, Johns Hopkins University, Baltimore. He was a poet of unusual force and originality, qualities which showed themselves in his "Interludes and Poems" (1908), and in the drama *Deborah* (1913). As a critic he was at his best in "The Idea of Great Poetry" and "The Theory of Poetry." His other publications included "Emblems of Love" and "Thomas Hardy, a critical study" (1912); "Speculative Dialogues" (1913); "The Epic" (1914); "Theory of Art" and "Four Short Plays" (1922); "Principles of English Prosody" and "Phoenix" (1923); "Romanticism" (1926); "Twelve Idylls" (1928); "Progress in Literature" (1929); "Liberty of Interpreting" (British Academy Shakespeare Lecture, 1930); "The Sale of St. Thomas" (1931), and "Poetry: Its Music and Meaning" (1932). He had the rare honour of having his poems printed during his lifetime by the Oxford University Press. He was M.A. of Liverpool and of Oxford; Hon. Litt.D. of Cambridge and of Manchester; Hon. D.Lit. of Belfast; and was a Fellow of Merton College, and of the British Academy. He married Catherine, daughter of Owen Gwatkin, of Grange-over-Sanda, and had three sons and one daughter.

**29. Professor William Henry Merrett**, metallurgist, was born on December 18, 1871, and educated at St. Olave's School and the Royal School of Mines, graduating with First Class Honours in Metallurgy in 1894. He was then appointed research assistant to Sir William Roberts-Austen at the Royal Mint, where he remained until 1901, when he became instructor in the Metallurgy Department of the Royal School of Mines. When the school became part of London University, and the post of instructor was changed to lecturer, he was made Assistant Professor of Metallurgy, retiring in 1937. He was a pioneer of metallographic examination, and his researches concerning metals and steel laid the foundation of the modern knowledge of physical metallurgy. With M. Osmond and Professor le Chatelier he constructed the first apparatus to record the differential cooling of steel, giving the industry knowledge which allowed of the practical development of alloy steels and their manipulation. He worked with Dr. Alfred Stansfield on the "Alloys Research Committee," completing its final report after Sir William Roberts-Austen's death. In addition, Merrett was also closely identified with the research work of the Ordnance Committee, being responsible for the investigation into the erosion of gun tubes, the exploding of lyddite, and the detonation of ammonium nitrate, leading to the introduction of amatol. He was a member of many scientific societies, a Fellow of the Institute of Chemistry, a governor of the School of Metalliferous Mining, and a member of the council of the Institution of Mining and Metallurgy. Apart from his professional activities he was an enthusiastic Volunteer, receiving in 1926 the Territorial long service medal; and also a Freemason, being W.M. of the Imperial College Lodge in 1936, and a companion of the Imperial College Chapter. He was survived by his widow.

**31. General Jean Marie Joseph Degoute**, a great French soldier, was born in 1866, and after qualifying for the École Normale Supérieure suddenly decided to go to Saint-Cyr. A few years later he obtained a commission in the 4th Zouaves and went to Tunis, where he spent his leisure hours in studying law. He also studied languages, making himself efficient in Madagascan, Chinese, and German. Before 1914 he had seen active service in Tunis, Madagascar, China, Algeria, and Morocco, had passed through the École de Guerre, and had commanded a battalion. When the war began he was a Lieutenant-Colonel, holding the post of Chief of the Staff of the IV Army Corps, VI Army. In 1916 he was promoted Colonel and became Chief of the Staff of the IV Army, but a few months later was transferred to the Moroccan Division with the rank of General of Brigade. Promoted again in 1917, he was given command, first of the XXI Corps, and then of the VI Army, in the final phase of the war, attaining the rank of General de Division. In October, 1919, he was placed in command of the French troops in Germany, but was recalled in 1924, when he resumed duty as a member of the Superior Council for War, devoting the remaining years of his life to Alpine defence, a subject in which he was keenly interested. On reaching the age limit he was retained on the active list. In 1928 he received the Military Medal.

## NOVEMBER.

**10. Mustafa Kemal Pasha-Atatürk**, maker of modern Turkey, was born at Salonika in 1881, son of a contractor, after whose death he was given an excellent education by his Albanian mother, and entered the Military College at Monastir, passing into Pancaldi, the Sandhurst of Turkey. During his cadetship he began to take an interest in politics, and had just completed a staff course when he was arrested on a charge of conspiracy. Nothing was proved against him but he was sent to Syria, where he founded among subaltern officers a "Hurriet Jemijeti" (Liberty Society), which was later annexed by the Committee of Union and Progress. After some regular service against the

Macedonian *komitajis* he was transferred to the gendarmerie, and was a junior major in that force at the time of the Revolution in 1908. He also served against the Albanian rebels in 1909-10, and when the Italian war broke out saw active service in Tripoli as a member of Enver Bey's staff. Although he quarrelled with Enver, through the intercession of military friends he was appointed military attaché at Sofia in 1913. Opposed to Turkey's entry into the Great War, his ability, however, was recognised by the Germans, and he was given command of a newly formed division in the V Army, which was assembled in March, 1915, for the defence of the Dardanelles. On August 17 he was appointed commander of the Anafarta Group, which included the whole Turkish line from Ejelmar Bay to Chunuk Bair, holding that post until the evacuation. Late in 1916 he went to the Caucasus front to command the II Turkish Army, but after a good deal of mismanagement, for which he was not responsible, Enver removed him from his command and staff. In June, 1918, he accepted the command of the VII Army in Palestine but, true to his reputation, criticised in official reports German interference in Turkey's Arab policy, and Enver's subservience to his Teutonic masters. In May, 1919, shortly after the Greeks landed at Smyrna, he was made Inspector-General of the Forces in Eastern Anatolia by Damad Ferid Pasha, who thought that Kemal, a bitter enemy of the Committee of Union and Progress, was likely to suppress the beginnings of the Nationalist movement, forgetting that he was also a patriotic Turk. Kemal started a movement which rapidly gained ground among the Anatolian garrisons and led to a conference at Sivas (December, 1919) at which he and other chiefs drew up the "National Pact." Kemal was outlawed, but with the coming of the ill-omened Treaty of Sèvres, and its stipulations concerning Ionia, he became a popular hero, the embodiment of Turkish resistance to the Greeks. After the victorious end of the Sakaria campaign, and the Treaty of Lausanne, Kemal was acclaimed Ghazi. On November 1, 1922, the Grand National Assembly abolished the Sultanate, and seventeen days later elected Abdul Majid Effendi Caliph of Islam, revolutionary proceedings which aroused alarmed protests throughout the Moslem world. A year later (October 29, 1923) the Assembly proclaimed Turkey a Republic, with the Ghazi as its first President and Chief of the State. In the spring of 1924 the publication in three Constantinople newspapers of an appeal, signed by H.H. the Aga Khan and the Right Hon. Sayyid Ameer Ali, for the strengthening of the Caliphate, enabled the President to carry out his design, and on March 31, the Popular Party, which he led and which had a majority in the Assembly, passed a law abolishing the Caliphate and ordering the banishment of all members of the House of Osman. With the Caliphate out of the way, the President now turned to the secularisation of his country, and to the complete destruction of his political rivals. He ruled as a dictator, combining the offices of President of the Republic, of the Council of Ministers, of the Grand National Assembly, and Leader of the Popular Party. In 1925, following the suppression of the Kurdish rebellion, which had been inspired by religious leaders, he ordered the closing of all Moslem religious houses and orders, the prohibition of the distinctive dress of the orders of Dervishes, and the imposition of European head-dresses and raiment, "the ordinary clothes in use among the civilised nations of the world." A month later the Assembly passed a law making the wearing of hats (which old-fashioned Moslems regarded as impious, the brim preventing the forehead from touching the ground) compulsory for all male citizens. At the same time the Assembly removed the restrictions which hampered female education, abolished polygamy, and made other concessions to feminist demands. Meanwhile the Progressive Party remained alive and dangerous, but in June the discovery of a plot to murder the President ended with many members of the Opposition being arrested and executed or exiled. With his old scores against the Committee of Union and Progress paid off, Kemal at last felt himself the undisputed master of Anatolia, a feeling which was enhanced at the General Election when the Popular Party won 315 out of the 315 seats. Thenceforward, he and his Ministers



went from one successful reform to another. Already a civil code based upon the Swiss model had been substituted for the Moslem Sacred Law, and on April 10, 1928, the Assembly gave consent to a modification in the Constitution by which Islam ceased to be the state religion. Later in the year Kemal led the movement for the substitution of the Latin for the Arabic alphabet, a remarkable change which caused some temporary embarrassment but proved most beneficial to education and letters. A brief experiment in the formation of a Liberal Republican Party was dropped after three months, in November 30, and at the General Election held next year the Popular Party again swept the board, and the Ghazi was elected President for the fourth time in succession. In 1923 came a movement for the "purification" of the language from Arabic and Persian words, and the President publicly supported various philological and linguistic theories at which the experts looked askance; 1934 saw the adoption of a Five Year Plan; the abolition of the time-honoured titles of Pasha, Bey, and Effendi; the granting of the franchise to women, 17 of whom were elected to the Assembly (called now the Kamutay) in 1935; and the compulsory adoption of surnames, the lack of which had caused much confusion in Moslem countries. The President himself was given the surname of Atatürk, or Chief Turk, by a special law passed by the Assembly. Meanwhile the Government was steadily improving agriculture, communications, public health, and education. Turkish foreign policy, also, underwent a remarkable change. With Dr. Tewfik Rushdi (afterwards Dr. Rustü Aras) as Minister of Foreign Affairs, Anglo-Turkish relations improved; a Turco-Greek entente was inaugurated in 1930; Turkey entered the League of Nations in 1932; and a Balkan pact between Turkey, Greece, Rumania, and Yugoslavia, guaranteeing the inviolability of their respective Balkan frontiers, was signed on February 9, 1934. In 1936 the Turkish Republic won a diplomatic triumph at Montreux when it regained full sovereignty over the Dardanelles and Bosphorus from the Powers which had signed the Straits Convention in 1923. Atatürk married in 1923, but divorced his wife (signing the decree himself) after coming to the conclusion that she was trying to influence his political decisions. Combining ruthless vigour and fiery ambition with a bold intellectual radicalism utterly unaffected by historical tradition or religious sentiment, he lived a hard life, and was never temperate. Early in 1938 it was found that he had developed cirrhosis of the liver, a disease which suddenly became acute on October 16, and from which he never recovered.

15. **Viola Tree**, actress, was born on July 17, 1884, eldest daughter of Sir Herbert Beerbohm Tree, and after being educated privately and on the Continent, made her first appearance on the stage in 1904, as Viola in her father's production of *Twelfth Night* at the Theatre Royal, Edinburgh. During the next few years she played Trilby; Ariel in *The Tempest*; Hero in *Much Ado About Nothing*; the Queen in *Richard II*; Anne Page in *The Merry Wives of Windsor*; Ophelia in *Hamlet*; Agatha Fancourt in *Agatha*; Inez Isidore Izard in *Business is Business*; and Hester Worsley in *A Woman of No Importance*. In 1908 she began seriously to study singing with a view to adopting a musical career, and in 1910 appeared with great success as Eurydice in Gluck's opera, *Orpheus*, at the Savoy Theatre. She did not, however, continue with her plan, and a few years later made her first appearance on the variety stage at the Grand Theatre, Birmingham. After the war she assumed for a time the management of the Aldwych Theatre. In 1930 she visited the United States, playing Lady Joan in *The Truth Game* at the Ethel Barrymore Theatre, and in the following year appeared at Pittsburgh with "The Ziegfeld Follies." She was the author of "Castles in the Air," reminiscences, 1926; "Can I Help You?" a book on "How to Behave," 1937; in which year she also published "Alan Parsons' Book," a story in anthology in memory of her husband, a dramatic critic, whom she had married in 1912. She was survived by two sons and one daughter.

16. **Sir James Barr, M.D.**, Vice-President of the British Medical Association, and an advocate of prison reform, was born on September 25, 1849, son of Samuel Barr, of Clarendon, Co. Tyrone, and educated at Londonderry, and at Glasgow University, graduating in 1873. At the same time he took the diploma of the Royal College of Surgeons of Edinburgh, and proceeded M.D., Glasgow, in 1882. After qualifying he held a resident post at Glasgow Royal Infirmary until 1874 when he began his long connexion with Liverpool on being made house surgeon at the Northern Hospital. Settling in practice at Everton in 1877, he was appointed honorary assistant physician to the Stanley Hospital, to the Northern Hospital (1885), and finally to the honorary staff of the Liverpool Royal Infirmary (1898). As visiting surgeon to Kirkdale Prison he successfully advocated reforms in the diet of prisoners, in the ventilation and lighting of the gaol, and in the conduct of executions. Ten years later he came into public notice in connexion with the Irish question, when Mr. Balfour, then Secretary of State, sent him to Ireland to make the necessary medical examinations of Land Leaguers arrested under the Owners Act. That work went on for nearly two years until he was seriously injured at Kirkdale while defending a warder from a prisoner armed with a knife. For many years he acted for the Liverpool City Justices as medical visitor under the Lunacy and Mental Deficiency Acts. During the war he served as Lieutenant-Colonel in the 1st Western General Hospital, and as chairman of the Medical War Committee of Liverpool. He was made a Fellow of the Royal College of Physicians in 1902, and delivered the Bradshaw Lecture on diseases of the pleura and the treatment of pleuritic effusion in 1907. He was a member of the council of the British Medical Association, secretary for seven years, and was elected Vice-President after he had been President of the Lancashire and Cheshire branch. He was a Deputy Lieutenant of the County of Lancaster. Knighted in 1905, he was made C.B.E. in 1920. He was also a Knight of Grace of the Order of St. John of Jerusalem, and had honorary degrees from various universities. In 1882 he married Isabelle, daughter of J. Woolley, and had one son (killed in action) and one daughter.

17. **Lord Chalmers** (the Right Hon. Sir Robert Chalmers, Baron Chalmers, of Northiam, County Sussex), Governor of Ceylon, 1913-16, was born on August 18, 1858, only son of John Chalmers, and educated at the City of London School, under Edwin Abbott, and at Oriel College, Oxford. In 1882 he entered the Treasury as a First Division Clerk, having secured first place in the newly organised competitive examination for filling the higher posts in the Civil Service. Progressing steadily, he became an Assistant Secretary in 1903, and chairman of the Board of Inland Revenue in 1907. In 1911 he was appointed Permanent Secretary of the Treasury and Auditor of the Civil List. Two years later he accepted the post of Governor of Ceylon, among its other attractions being his interest in Pali, but by 1916 he was glad to return to England as Joint-Permanent Secretary to the Treasury. That office he filled for three years, including a period at an uncongenial task as Under-Secretary to the Lord-Lieutenant of Ireland. At the end of the war he went to Brussels as chief British delegate to the financial conference which preceded the first Assembly of the League of Nations. Hardly less active after his retirement from Government service, in 1924 he succeeded Sir Adolphus Ward as Master of Peterhouse, Cambridge, remaining there until 1931. He published a History of Colonial Currency in 1893, and translated from Pali "Jataka (Birth) Tales of the Buddha." From 1922 to 1925 he was President of the Asiatic Society, and from 1924 to 1931 was a Trustee of the British Museum. He had also been a member of the Royal Commission on Universities. He was an honorary LL.D. of Cambridge, Glasgow, and St. Andrews; Honorary D.Litt. of Oxford; and an Honorary Fellow of Oriel College. In 1927 he was made a Fellow of the British Academy. He received the C.B. in 1900, the K.C.B. in 1908, the G.C.B. in 1916, and was created a peer in 1919. Lord Chalmers was twice married; first in 1888 to Maud Mary (daughter of John George Forde Pigott), who died in 1923; and secondly in

1935 to Iris Florence, daughter of Sir John Biles, and widow of Professor R. Latta. By his first marriage he had two sons and one daughter, but both sons were killed in action in 1915, and the barony became extinct.

17. **Dr. Jane Walker, C.H., M.D.**, pioneer of the open-air treatment of tuberculosis in England, was born on October 24, 1859, daughter of John Walker, a blanket manufacturer of Dewsbury, who encouraged her to take up medicine as a profession. After studying at the London School of Medicine for Women, and abroad, she took her M.D. degree at Brussels in 1870. She became a Licentiate of the Royal College of Physicians, and Licentiate in Midwifery, in 1884, and a L.R.C.S., Edinburgh, in 1889. At first she specialised in the ailments of women and children, serving as clinical assistant to the East London Hospital, and as resident medical officer of the Wirral Children's Hospital. But her life-work was done as a specialist in phthisis, and for many years she practised in Harley Street. In 1892 she introduced to England the open-air treatment of consumption, establishing at Downham Market, Norfolk, a centre which was moved to Nayland in 1901. It became a model for tubercular institutions, and in thirty years the ravages of the disease were reduced by half. Dr. Walker, who lectured on her subject in the United States in 1923, was a member of the Departmental Committee on Tuberculosis (Astor Committee); of the Agricultural Wages Committee for Suffolk; and of the Suffolk Agricultural Committee. She was the founder and honorary secretary of the Medical Women's Federation. Her publications included "Modern Nursing of Consumption" (1904); "A Handbook for Mothers"; "A Book for Every Woman"; and numerous articles, mainly dealing with social questions. In 1931 she was made a Companion of Honour and received from the University of Leeds the degree of LL.D.

20. **Queen Maud of Norway** (Maud Charlotte Mary Victoria) was born at Marlborough House, London, on November 26, 1869, third daughter and youngest child of King Edward VII and Queen Alexandra. In 1895 she became engaged to her maternal cousin, Prince Charles, second son of the Crown Prince and Crown Princess (afterwards King Frederick VIII and Queen Louise) of Denmark, the marriage taking place at Buckingham Palace on July 22, 1896. On November 18, 1905, after the separation of Norway and Sweden, Prince Charles was elected, by plebiscite, King of Norway, and became known as King Haakon VII, a name common among the mediæval sovereigns of Norway in the days of her previous independence. In deference to the same sentiment, Queen Maud's son (and only child), who was born on July 2, 1903, and christened Alexander Edward Christian Frederick, was known henceforward as Prince Olav. Besides being expert in the more usual accomplishments, Her Majesty was an enthusiastic chess player, and consented to become a Patron when the International Chess Congress met in London.

26. **E. A. Baughan**, dramatic critic, was born in 1865. In 1892 he became editor of the *Musical Standard*, and six years later, music critic of the *Morning Leader*, holding both posts until 1902 when he was appointed music critic of the *Daily News*. After two years he turned to the theatre, writing notices of both plays and operas until 1911, when he abandoned music criticism altogether. He was one of the first to apply serious critical standards to the film, and for many years supplied the *Daily News* (afterwards *News Chronicle*) with notices of films as well as of plays, although it was as a dramatic critic that he made his real mark. In his early years he published a study of Strauss. He married Mary Eleanor Saunderson.

28. **Dr. William McDougall, F.R.S.**, Professor of Psychology in Duke University, North Carolina, 1927-38, was born in Lancashire in 1871, and educated at Owens College, Manchester, Cambridge University, and St. Thomas's Hospital, London. In 1920 he became Professor of Psychology at Harvard

University, occupying that Chair until 1927, when he accepted a similar appointment at Duke University. One of the ablest psychologists of his generation, he wrote many authoritative works on psychology and kindred subjects. These included "Introduction to Social Psychology" (1908), sequel, "The Group Mind" (1920); "Body and Mind" (1911); "Pagan Tribes of Borneo" (1912); "National Welfare and National Decay" (1921), an essay on eugenics; "Ethics and Some Modern World Problems" (1924), lectures on practical politico-ethical problems; "An Outline of Abnormal Psychology" (1926), one of the best summaries of the subject; "The American Nation: Its Problems and Psychology" (1926), in which he returned to the question "What is a Nation?"; "Character and the Conduct of Life" (1927); "The Energies of Man" (1933); "Religion and the Sciences of Life with Other Essays on Allied Topics" (1934); "The Frontiers of Psychology" (1935); "Psycho-Analysis and Social Psychology" (1936), and "The Riddle of Life" (1938). In 1914 he delivered at the Royal Institution a series of lectures on "The Mind of Savage Man." He was a Fellow of the Royal Society, of St. John's College, Cambridge, and of Corpus Christi College, Oxford, and had been Reader at University College, London, and Wilde Reader in Mental Philosophy at Oxford. Dr. McDougall, who held the degrees of D.Sc., M.A., and M.B., married Annie Hickmore, of Brighton, and had two sons and one daughter.

## DECEMBER.

10. **Courtenay John Frederick Mill**, City Editor of *The Times*, 1920-38, was born on February 22, 1883, son of a solicitor, and began his journalistic career at an early age in the London office of the *Yorkshire Post*. Transferring to the London staff of the *Leeds Daily News*, he subsequently entered the Exchange Telegraph Company, where he received a varied training, particularly in the reporting of financial and commercial matters. In 1908 he joined the staff of *The Times* to assist with the production of the weekly *Financial and Commercial Supplement*, but soon became a member of *The Times* City staff, and in February, 1920, was appointed City Editor. For many years he was a contributor to the *ANNUAL REGISTER*. In his later years he began to suffer from rheumatism and although he struggled on, trying one cure after another without lasting success, he was obliged to admit defeat in 1938, and retired on pension. He had served his newspaper during one of the most difficult periods of national and international finance. In 1908 he married Ethel Elizabeth, daughter of James Mitchell, and had one son and two daughters.

12. **James McNeill**, Governor-General of the Irish Free State, 1928-32, was born at Glenarm, Co. Antrim, of ancient Ulster stock in 1869, and after being educated at Belvedere College, Dublin, and Emmanuel College, Cambridge, entered the Indian Civil Service and went to the Bombay Presidency in 1890. His first notable work was the preparation of the general administration report for 1895-96. During his stay in India he served as assistant collector of land revenue, Customs, and opium; chief inspector of factories; and, after the establishment of the Bombay City Improvement Trust, as special collector under the Land Acquisition Act. When the war began he was made censor of commercial telegrams, but was soon selected to be officiating Commissioner of the Northern Division. Returning to Ireland on his retirement in 1915, he settled on the slopes of the Dublin Mountains, sharing a large country house with his brother, Professor Eoin McNeill, one of the principal founders of the Gaelic League and chief organiser of the Irish Volunteers. In 1916 when the Professor was arrested and sentenced to death (afterwards reprieved), McNeill himself became a suspect, and he too was imprisoned but released a few days later. In the subsequent political agitation he was active in various Sinn Féin organisations,

and in 1922 became chairman of the Dublin County Council. After the Anglo-Irish Treaty he again worked with his brother, who had been made Minister of Education in the Provisional Government. In 1923, when conditions had improved, he was appointed the Irish Free State's first High Commissioner in London, where he remained for five years, gaining much popularity, until he succeeded T. M. Healy as Governor-General of the Irish Free State. In that capacity, with his serene temperament and personal charm, he served with distinction until the defeat of the Cosgrave Government brought to a head the controversy over the office of Governor-General, which Mr. de Valera was determined to abolish. The dispute reached an unexpected crisis soon after the International Eucharistic Congress in Dublin, when the question of precedence for the President of the Executive or the Governor-General arose at a number of public ceremonies. Friction developed until the position became obviously untenable and McNeill vacated office before his term had expired. In retirement he devoted himself to farming and agricultural problems, taking special interest in the work of the Horace Plunkitt Foundation. He married Josephine Aherne, of Fermoy, Co. Cork.

17. **Sir Leslie Probyn**, a Colonial administrator for thirty-one years, was born in 1862, a kinsman of General Sir Dighton Probyn, V.C., and educated at Charterhouse as well as in France and Germany. He was called to the Bar by the Middle Temple in 1884. In 1893 he was appointed Attorney-General of British Honduras, three years later being sent to Grenada, where on several occasions he acted as Colonial Secretary and Administrator of the island. He was promoted to Government Secretary of Southern Nigeria in 1901, and to Governor of Sierra Leone in 1904. With a quick and fertile brain, ever ready with an alternative when one scheme met with objection, he threw himself whole-heartedly into the development of his territory and between 1905 and 1908 increased the export of palm oil by over 100 per cent. He was Governor of Barbados from 1910 to 1918, when he was transferred to Jamaica, holding that Governorship until he retired in 1924. He was joint author of "The Jurisdiction and Practice of the Mayor's Court" and several other law books. Created C.M.G. in 1903, he was made K.C.M.G. in 1909. He married, in 1885, Emily, daughter of G. Davies, and had two daughters.

— **The Rev. Charles Ensor Walters**, general secretary of the London Methodist Mission for twenty-five years, and President of the Methodist Conference, 1936, was born at Milborne Port, Somerset, on December 18, 1871, son of Rev. W. D. Walters, and was educated at Roundhay College, Leeds, and the Wesleyan Theological College, Richmond. Becoming a minister in 1895 his first appointment was as an assistant to the Rev. Hugh Price Hughes at the West London Mission. Later he went to Sheffield, where he stayed for five years, returning to London in 1912. He was the last superintendent of the West London Mission to hold services in the old St. James's Hall before it was pulled down to make way for an hotel. During his ministry in London he took an active interest in municipal affairs and in the days before borough councils served as a member of the St. Pancras Vestry. At one time president of the Metropolitan Free Church Council, he was elected president of the Methodist Conference in 1936. He recalled that in ten years he had seen the clearing of ninety sites and freeholds in and around London for Methodist churches, involving an expenditure of 1,600,000*l.* He married Muriel Havergal, daughter of J. H. Bennetts, and had two sons.

19. **Sir Sidney Peel, Bt.**, financial adviser to the British Government, was born on June 3, 1870, third son of the first Viscount Peel, and educated at Eton and New College, Oxford. In 1893 he was elected a Fellow of Trinity College. Soon after leaving the University he became secretary to the Licensing Commission, of which his father was the chairman. He was called to the Bar by Lincoln's

Inn in 1898. Two years later he was a trooper with the Oxfordshire Imperial Yeomanry in the South African War, for which service he received the Queen's medal with three clasps. Next he went to Egypt as a newspaper correspondent, and at the same time began a long association with Sir Ernest Cassel, which resulted in his appointment as chairman of the London Committee of the National Bank of Egypt and vice-president of the Morocco State Bank. He became an official of the National Discount Company in 1901, director in 1911, and chairman in 1922. In 1911 he was appointed to the Oxford Chest on the invitation of the Chancellor of the University, Lord Curzon, and in 1922 became Deputy-Steward of the University. An officer in the Bedfordshire Yeomanry since 1902, he was Major of B Squadron when the war began and was promoted Colonel of the regiment in May, 1915, going to France a month later. After having been mentioned in despatches and receiving the D.S.O., he was recalled in November, 1917, to act as Financial Adviser to the Foreign Office, in which capacity he attended the Peace Conference in 1919. In that year he was made chairman of the Export Credits Guarantee Department Advisory Committee, holding the post, in which he did his most original and successful administrative work, until his death. He was also on the Municipal Banks Committee, and was for a time honorary treasurer of the National Trust. Made a member of the Oxford University Statutory Commission on its formation, he resigned after a year on his appointment as British Plenipotentiary to the Tariff Conference in China, 1925-26. In 1927 he went to India as a member of the special Committee of Inquiry into the relations of the Indian States with the British Government. From 1918 to 1922 he was Conservative Member of Parliament for Uxbridge. His publications included "Trooper 8008" and "O.C. Beds Yeomanry," relating his experiences in the South African and Great Wars respectively, while "The Binding of the Nile and the New Sudan" was the outcome of his work as a newspaper correspondent. Made C.B. in 1929, he was created a baronet in 1936. In 1914 he married Lady Delia, daughter of the sixth Earl Spencer.

21. **Frank Horace Vizetelly**, lexicographer, was born in London in 1862, and educated at Eastbourne and in France. In 1891 he went to New York, becoming a naturalised American citizen in 1926. With an appointment on the editorial staff of Funk & Wagnalls, his first job was on their Standard Dictionary of the English Language, of which he was associate editor from 1891-1903, managing editor for the next ten years, and editor from 1914, finally bringing out a new edition in 1935 when he was over 70. Chief among the 250 miscellaneous publications which he edited for the company were an Index of Chemicals and Drugs, the Columbia Cyclopædia in forty volumes, a Cyclopædia of Dates, a Book of Quotations, an American edition of the German Herzog Encyclopædia of Religious Knowledge in many volumes, and the Jewish Encyclopædia. One of the first wireless broadcasters, he held for some time the post of Dean of the Columbia Broadcasting System's school of pronunciation. For many years he conducted in the *Literary Digest*, with which he was editorially associated, a column entitled "From the Lexicographer's Chair." He was universally recognised as an authority on the meaning, the etymology and the use of words, their origin and proper pronunciation. In 1894 he married Bertha M. Krehbiel, of New York City, and had one daughter.

24. **Major John Walter Hills**, politician and soldier, was born in 1867, son of H. A. Hills, of Highhead Castle, Cumberland, and after being educated at Eton and Balliol College, Oxford, qualified as a solicitor, practising in London. At various times he was a director of the London, Midland and Scottish Railway, and Imperial Airways, chairman of the Legal Insurance, deputy chairman of the British Match Corporation, vice-chairman of Stern's, Limited, and a member of the London Board of the Colonial Mutual Life Assurance Society. He also took a keen interest in the management of the medical journal *Practitioner*. On the outbreak of the war, although nearly 50, he joined the Durham Light

Infantry, rising in two years to the command of a battalion. Mistakenly reported killed in action in September, 1916, he was severely wounded in reality soon afterwards, and for the remainder of the war was in the Ministry of Munitions. Taking early to politics, he successfully stood in 1906 as Tariff Reform candidate for the City of Durham, a constituency which he represented until 1918, when it became the Durham City Division and he was re-elected as Coalition Unionist member. When the Coalition Administration ended in 1922 the new Prime Minister, Mr. Bonar Law, appointed him Financial Secretary to the Treasury, but he was defeated both at Durham and at a by-election in the Edge Hill Division of Liverpool in 1923. In 1925 he re-entered the House of Commons as member for Ripon in succession to Ernest Wood (Lord Halifax), who, as Lord Irwin, had been appointed Viceroy of India. Major Hills was chairman of a Committee on Industrial Unrest in 1917, chairman of the Committee on Export Credits, a member of the Royal Commission on Land Drainage, chairman of the Inter-Departmental Committee on the Prices of Building Materials, and in 1933 was appointed a member of the Departmental Committee on Housing. He also presided over the Credit Insurance Committee and the Committee on Export of Horses, and had been chairman of the British Association for Labour Legislation, a non-partisan body formed to promote the improvement of labour conditions and to press for ratification and application of conventions of the International Labour Organisation. His publications included "Finance of Government" and "Managed Money," as well as several books on his favourite pastime, fishing, the most notable being "A Summer on the Test." He was recognised as the best writer on fishing since Lord Grey of Fallodon. In 1936 he published "My Sporting Life." He was made a Privy Councillor in 1929, and had the honorary degree of D.C.L. from Durham University. He was twice married; first, in 1897, to Stella Duckworth, who died in the same year; and secondly, in 1931, to Grace Ashton, by whom he had one son.

25. **Dr. Karel Čapek**, the best known of Czech writers, was born at Male Svatonovice, Bohemia, on January 9, 1890. From his early youth he determined on a literary career, and as soon as he left the University began to write books and plays. His first novel, "The Garden of Krakonoš," written in collaboration with his brother Joseph, was published in 1918, but it was not until the appearance of the drama, *R.U.R.*—which later gave to the English language the word "robot"—that he attracted any attention. With the coming in 1919 of *The Insect Play*, in which his brother again collaborated, his fame as a dramatist was assured. Both plays were produced in London by Mr. (afterwards Sir) Nigel Playfair and enjoyed a fair measure of success. Another play, *Power and Glory (The White Scourge)*, was performed in London in 1938. Čapek's reputation as a dramatist gave wide circulation to his novels, which revealed strong traces of the influence of H. G. Wells, particularly in "The Factory of the Absolute," in "Krakatit," and in "War with the Newts" (1937), the latter a masterpiece of satire. Also in the field of fiction he wrote a trilogy forming a brilliant study of Slav peasant life—"Hordubal" (1934), "Meteor" (1935), and "An Ordinary Life" (1936). His other publications included travel books, "Letters from Italy" (1923) and "Letters from England" (1926), one of the wittiest descriptions of English life; short stories, essays and fairy tales, "Money" (1929), "Tales from Two Pockets" (1923), "Fairy Tales" (1933), "The Stolen Cactus" (1937), and, most charming of these, "The Gardener's Year," illustrated, like many other of his books, by his brother Joseph. In "President Masaryk Tells His Story" (1929-31, English edition 1934), he expressed his appreciation of the man whose broad humanitarianism he fully shared. Like the President he was an admirer of Anglo-Saxon civilisation, and as an adherent of Anglo-American pragmatism he recorded his own views on that school of thought in a volume entitled "Pragmatism as a Philosophy of Practical Life." Although a convinced opponent of Communism and Socialist demagoguery, he had strong Liberal, if not Socialist, tendencies, which found expression in nearly all his works. During the upheaval in Czechoslovakia

in the autumn of 1938 he broadcast non-partisan appeals to his countrymen to cast aside their petty differences for the sake of peace and understanding. After the conclusion of the German-Czechoslovak Agreement his play *Power and Glory* was one of the first to be banned from the Czechoslovak stage. In 1935 he married Olga Scheinpflugova, a prominent actress.

27. **Sir James Sexton**, General Secretary of the National Union of Dock Labourers, 1893-1926, was born at Newcastle-on-Tyne on April 13, 1856, of Irish parents who came to England during the famine of 1846. In his infancy the family moved to St. Helens, Lancashire, where, at 8 years of age he was working in a glass factory. As a youth he tramped to London and back to Liverpool in search of work, but being unsuccessful, stowed away on a sailing ship bound for San Francisco, and for some years worked as a lumberman on the Pacific coast, on a ranch, and as a gold miner. In San Francisco he was "shanghaied" and put on a ship going to Singapore, but after being stranded on one of the Sandwich Islands, managed to pick up a ship bound for England. He was also one of the crew of the vessel which towed Cleopatra's Needle to London. A few years later he settled down in Liverpool as a dock labourer and while on that work met with an accident which permanently disfigured his face. In 1893 he became General Secretary of the National Union of Dock Labourers, holding the post, after that body had been linked with the National Transport Workers' Federation, until 1926, when he retired on pension. Unsurpassed in his knowledge of the industrial and social conditions of Dockland, it was largely through his efforts that ships were included in the provisions of the Factory Acts, and he was successful also in procuring a valuable amendment of the Workmen's Compensation Act. During the transport trouble of 1911, which ended in "Bloody Sunday," he was a member of the Strike Committee whose temporary control of transport in the port of Liverpool compelled the authorities to call out the military to preserve order. From 1899 to 1923 he was a member of the Parliamentary Committee of the Trade Union Congress, of which he was chairman in 1905. In 1923 he became a member of the General Council of the Congress. As a devout Roman Catholic he opposed the secular education policy which was recommended to the T.U.C. and succeeded in defeating it. When the war began he entered zealously into the work of recruiting, and later served as a member of the Consumers' Council set up by the Food Ministry. After several attempts to enter Parliament he was elected for the St. Helens Division in 1918 and held the seat until 1931, when he was defeated. He had been a member of the Liverpool City Council since 1905, alderman since 1930, and a freeman of the city since 1934. He was the author of "Tatters, M.P.," jingling rhymes on passing events; a number of serial stories; and two plays—*The Riot Act*, produced by the Liverpool Repertory Theatre in 1914, and *Corner Shop*. The former play, renamed *Democracy*, was revived in 1929 with a cast consisting of members of Parliament. He was made a C.B.E. in 1917, and knighted in 1931. In 1882 he married Christine, daughter of W. Boyle.

— **Emile Vandervelde**, Belgian and international Socialist leader, was born at Ixelles, near Brussels, on January 25, 1866. After taking a degree in Political and Social Science at the University of Brussels he became a teacher at one of the secondary schools in that city. At an early age he joined the Belgian Socialist Party, being one of the founders of the Labour Movement in Belgium, and after being elected Deputy for Charleroi in 1894 soon became recognised as the most important of the Socialist leaders. On the outbreak of the war he was invited to join the Ministry of National Defence, and with his hopes of international co-operation shattered he devoted himself to the task of Belgian liberation. Together with Hymans and Van der Heuvel he represented Belgium at the Peace Conference, and later took part in the organisation of the International Labour Office. As Minister of Justice in a Liberal-Catholic-Socialist Coalition Cabinet formed after the conclusion of peace he effected important reforms in



the Belgian prison system. In 1923 he became Minister for Foreign Affairs, representing his country at Locarno, and remained in office until 1927, when the Cabinet split on the question of military reorganisation. Giving a conciliatory direction to Belgian foreign policy, he defended in Europe a middle course which gained for him little sympathy either at home or abroad. He was Minister without Portfolio and vice-president in the first Cabinet of Van Zeeland, 1935, and Minister of Public Health in the second, a year later, but resigned when the Prime Minister and the Minister of Foreign Affairs, M. Spaak, proposed to break with the Spanish Government after the murder of the Belgian diplomatist, de Borchgrave. As president of the Labour and Socialist International in 1929 he criticised Mr. Snowden's attitude to inter-Allied Debts and Reparations, financial barriers to international concord which were the reverse of all he had aspired to. A convinced social democrat and internationalist, he was, however, a strong opponent of Communism. As an orator he was thought by many to have no equal in the French tongue.

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